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REPORT ON ATLANTIC/MARITIME
INTERPROVINCIAL COOPERATION
BETWEEN 1950 AND 1971

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TABLE OF CONTENTS

Page

Acknowledgements iv

Summary 1

Chapter 1: The Creation of the Atlantic Provinces Economic Council - 1951-1955

Introduction 5
The Blakeny Report 5
The Roundtable Conference: September 15, 1953, Moncton, New Brunswick 8
The Proposed Economic Council 13
APEC Organizational Meeting: September 28, 1954 15
The APEC Mandate 17
Conclusion 19

Chapter 2: The Establishment of the Atlantic Premiers Conferences - Private Sector Initiative - 1956-1961

Introduction 20
Canadian Economic Development Policy, 1945-1958........ 21
A Federal Initiative and the Region's Response 23
The Political Situation in the Provinces in the Early 1950s 25
The First Atlantic Premiers Conference, Fredericton, New Brunswick, July 9, 1956 27
Follow-up to the 1956 Atlantic Premiers Conference 37
Cooperation in Agriculture 38
APEC Activities 39
The Second Atlantic Premiers Conference, Halifax, Nova Scotia, May 8, 1957 41
APEC Activities 46
The Atlantic Premiers Conference, Charlottetown, Prince Edward Island, September 23-24, 1957 47
The Atlantic Provinces Adjustment Grants 52
APEC Activities 54
Atlantic Provinces House 54
APEC Activities 56
The Atlantic Premiers Conference, St. John's, Newfoundland, September 22-23, 1958 57
Research into the Economy of the Atlantic Region 61
APEC Activities 62
The Atlantic Premiers Conference, Fredericton, New Brunswick, September 15, 1959 63
Eastern Canadian Union 66
The Interprovincial Power Grid 67
APEC Export Trade Activities 69
Premiers Meeting, London, England, April 2-5, 1960 70
The Interprovincial School for the Education of the Deaf 71
The Atlantic Premiers Conference, Halifax, Nova Scotia, September 21, 1960 72

Page

The Cairncross Report, February 1961 75
The Atlantic Premiers Conference, Charlottetown, Prince Edward Island, December 8, 1961 76
Conclusion 80

Chapter 3: Federal Initiative, Regional Response - 1962-1965

Introduction 81
The Atlantic Premiers Conference, St. John's, Newfoundland, July 23, 1962 81
The New England Council - APEC Conference 82
Meeting of the Deputy Ministers of Industry 83
Transportation Issues in 1963 83
The Atlantic Development Board 1963 86
The Atlantic Premiers Conference, Fredericton, New Brunswick, July 16, 1963 89
Meeting with the Federal Atlantic Cabinet Ministers, July 25, 1963 92
The Federal-Provincial Conference on Fiscal Matters, Ottawa, Ontario, November 26-29, 1963 93
The Federal-Provincial Constitutional Conference, Charlottetown, Prince Edward Island, August 31-September 2, 1964 94
The Atlantic Premiers Conference, Halifax, Nova Scotia, September 30, 1964 96
Follow-up to the 1964 Atlantic Premiers Conference 100
"The Idea of Maritime Union" Conference, February 5-7, 1965 101
The Joint Legislative Resolutions, February 16 and 25, 1965 105
The Atlantic Pavilion at Expo '67 107
Transportation Matters 108
The Prince Edward Island Causeway 109
Trade Proposals 110
The Atlantic Premiers Conference, Charlottetown, Prince Edward Island, November 22, 1965 111
Conclusion 113

Chapter 4: Building Maritime Regional Consensus - 1966-1971

Introduction 114
Health and Social Welfare Services 114
The Atlantic Tidal Power Programming Board and the Atlantic Tidal Power Engineering and Management Committee 117
The Atlantic Premiers Conference, St. John's, Newfoundland, November 28, 1966 119
Maritime Union 122
The Atlantic Premiers Conference, Toronto, Ontario, November 25, 1967 122
The Atlantic Premiers Conference, Ottawa, Ontario, February 6, 1968 125
The Corridor Road 128
The Atlantic Provinces Survey and Mapping Program 128
The Atlantic Institute of Education 130
The Maritime Union Study 131

Page

The Eastern States Exposition, West Springfield. Massachusetts. September 1968 132
APEC at the Eastern States Exposition 134
Joint Tourism Promotion 134
The Atlantic Premiers Conference, Ottawa, Ontario, December 15, 1968 135
The Atlantic Premiers Conference, Ottawa, Ontario, February 9, 1969 136
The Prince Edward Island Causeway 137
The Department of Regional Economic Expansion and the Atlantic Development Council 138
The Atlantic Provinces Cabinet Committee on Transportation: The Premiers' Report 139
The House of Commons Standing Committee on Transportation and Communications: Report on the Problems of Transportation in the Atlantic Provinces 146
Federal-Provincial Committee on Transportation 147
Social Welfare Policy: The Atlantic Ministers of Welfare Report.. 149
The Eastern States Exposition, West Springfield, Massachusetts, September 12-21, 1969 152
The Atlantic Premiers Conference, Charlottetown, Prince Edward Island, September 25, 1969 153
The "One Prairie Province" Conference, Lethbridge, Alberta, May 10-13, 1970.... 155
Release of the Maritime Union Study, Charlottetown, Prince Edward Island, November 27, 1970 156
The Decision to Establish a Council of Maritime Premiers, January 27, 1971 158
Conclusion 160

Conclusion 162

Appendix A: Key Players 167

Appendix B: Chronology 171

Footnotes 180

Sources 198

Selected Bibliography 203

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SUMMARY

The Premiers of the four Atlantic provinces, or their representatives, met at a Roundtable Conference on September 15, 1953. They were invited by the Executive Committee of the Maritime Provinces Board of Trade to discuss areas in which the provinces could cooperate in the economic development of the region. Also on the agenda was a proposal to establish a permanent industrial commission. The result of the conference was to broaden the scope of the proposed commission to encompass social and economic, as well as industrial development. A year later, the Atlantic Provinces Economic Council (APEC) was established, which again brought the Atlantic Premiers together in discussions of economic and social cooperation among the four provinces.

The Premiers had agreed that the fiscal and economic policies of the federal government were causing many of the economic problems in the Atlantic provinces. A signal for change, however, was issued by Prime Minister Louis St. Laurent in April 1956. He called for the economic redevelopment of the Atlantic region through the initiative of the four provinces. A Conference of the Atlantic Premiers was held in Fredericton on July 9, 1956, at which the Premiers discussed transportation matters, industrial development and trade promotion, as well as other items of mutual interest. A Continuing Committee was established to set the agenda for subsequent conferences.

In the 1956-1961 period, other interprovincial committees were established. They were the Committee on Northern Lands, the Atlantic Provinces Representation Committee, the Capital Projects Committee and the Premiers Committee. In the same period, a trade promotion office was opened in the United Kingdom (Atlantic Provinces House) under the joint direction of the four provincial Departments of Industry. The Premiers also established the Atlantic Provinces Research Board to coordinate and initiate economic research conducted in the region. Another example of the high degree of cooperation that was quickly achieved was the establishment of an interprovincial power grid linking New Brunswick and Nova Scotia electrical utilities into a single power pool.

Many of these initiatives relied heavily on the assistance of APEC. APEC was influential in promoting cooperation among the four Atlantic provinces, and many of its proposals were adopted by the Atlantic Premiers. However, one of its proposals, the creation of a federal development agency for the Atlantic provinces, turned the Premiers' attention away from APEC and toward the federal government.

The Atlantic Development Board, created in 1963 by the federal government, was directed to establish a comprehensive and coordinated approach to economic development in the region. Because of the ADB's mandate, as well as its $100 million project fund, the Premiers began a renewed attempt to direct the development activities of the federal government in the Atlantic region. Their intention was to secure a stronger place for the four provinces in a revitalized Canadian federation.

In this regard, the Premiers attempted to coordinate their efforts on matters of federal-provincial concern. Issues such as transportation, fiscal relations and constitutional matters seized much of their attention during this period. A surprise twist to these efforts was the proposal of New Brunswick's Premier Louis Robichaud for a study on the feasibility of political union of the four Atlantic provinces. Both the Newfoundland and Prince Edward Island governments refused to cooperate in the study, but in February 1965, the New Brunswick and Nova Scotia legislatures adopted identical resolutions to study union.

The period from 1965 to 1971 can be characterized as a time of consensus-building. The Maritime Premiers (Newfoundland's cooperation with the other Atlantic Premiers dropped off after 1965) looked not only to the federal government as a source of development projects, but also examined their own individual activities for ways in which a more coordinated and cooperative effort in economic development could be achieved. A number of interprovincial cabinet committees were established in areas of industrial development, transportation and social welfare services. Trade promotion activities were also expanded during this period.

The Premiers' strategy was to develop agreed-upon proposals for presentation to the federal government. During this period, federal regional development policies shifted from infrastructure development to general economic development. The Atlantic Development Board was reconstituted as the Atlantic Development Council in 1969. At the same time, the federal Department of Regional Economic Expansion was created.

Throughout this period, the Maritime Union Study examined the feasibility of political union of the three Maritime provinces. Established in 1968 under the direction of Dr. J. J. Deutsch, the study group examined the economic, social and political aspects of union. Its report of November 1970 recommended full political union and advised the Premiers to establish formal vehicles of regional cooperation and coordination leading up to union.

While the Premiers did not accept the idea of union, they did agree to establish a Council of Maritime Premiers. The objectives of the Council were to promote unity of purpose among the Maritime provincial governments, to ensure the maximum coordination of the activities of the provincial governments and their agencies, and to establish a framework for joint actions and undertakings. The establishment of the Council of Maritime Premiers in 1971 brought to a climax the efforts of the Maritime provinces to establish a permanent and formal mechanism to promote unity of purpose and coordinated efforts. Beginning with the Roundtable Conference in 1953 and the creation of APEC, the Conferences of the Atlantic Premiers, and including the various coordinating committees and interprovincial Cabinet committees, the period from 1953 to 1971 was a time of exciting and purposeful change.

This period did have some notable failures. The Atlantic Institute of Education, the joint industrial development commission, the Northumberland Strait causeway and the demise of Atlantic Provinces House all point to the fact that while cooperation was of importance to the provinces, so too were each province's individual interests. However, these shortcomings do not detract from the significant achievements in cooperation.

This report is an examination of the cooperative efforts of the Atlantic/Maritime provinces in the 20-year period preceding the creation of the Council of Maritime Premiers. It discusses the period between 1951 and 1971 in four phases: the creation of APEC (1951 to 1955); the establishment of the Atlantic Premiers Conferences and APEC's influential role in regional cooperation (1956 to 1961); the region's response to federal government initiatives (1962 to 1965); and finally, the period of Maritime consensus-building (1966 to 1971).

The various events and personalities of the period are discussed in the context of these four phases. The report does not attempt to judge the effectiveness of the cooperative efforts or analyze the personal motives of the key players. Rather, it is designed to document the activities during this period, where no other single source of information has done so. It brings together, from a number of sources, the key events leading up to the creation of the Council of Maritime Premiers.

CHAPTER 1

THE CREATION OF THE ATLANTIC PROVINCES ECONOMIC COUNCIL

1951-1955

INTRODUCTION

This chapter deals with the proposal of the Maritime Provinces Board of Trade (MPBT) to create a permanent industrial commission and later, a Royal Commission of Enquiry in the Atlantic region. This initiative was directed at promoting unity of purpose, or at least cooperation, in the economic development of the region. However, once the MPBT recognized the scope of its proposal and that it required the cooperation of the provincial governments, the advice of the Premiers was sought.

As the scope of the proposal broadened--from purely cooperation in industrial development to social and economic development as well--the Premiers of the four Atlantic provinces took a more pro-active role in its development. The final result was the creation of the Atlantic Provinces Economic Council, which brought the Premiers together to discuss economic and social cooperation among their governments.

THE BLAKENY REPORT

The document "Industrial Development of the Maritime Provinces" appears to have been the impetus for the creation of formalized interprovincial cooperation in the Atlantic region. The report was prepared by the Industrial Development Committee of the Maritime Provinces Board of Trade (MPBT), chaired by Dr. C. H. Blakeny, a former Minister of Education in New Brunswick. It was presented at the MPBT's 51st Annual General Meeting at Sydney, Nova Scotia, on October 1, 1951. It set forth for the first time a five-point program of cooperative action to bring together business, industry and government into a single body to direct the economic growth of the region.

The report made five recommendations:

1. A "Buy in the Maritimes" campaign: The four Atlantic provincial Departments of Industry would prepare an industrial directory. The MPBT would place the directory in every home and business in the region.
2. A strong and effective immigration policy: The four provincial governments would adopt a united and effective program to attract immigrants to the region. A Maritime Provinces Immigration Commission was recommended to coordinate the program and to provide financial assistance to immigrants.
3. Low cost electric power to spur industrial development: A Maritime Provinces Electric Power Commission was recommended. A regional power pool, to generate and distribute power, and increased power production facilities were also recommended.
4. Low transportation rates attained by:
    a) opposing increased freight rates beyond the differential then enjoyed in the region, and
    b) increased financial and moral assistance by the four provincial governments to the Maritime Transportation Commission.
5. The establishment of a permanent Industrial Commission. It would be made up of prominent businessmen whose function would be to promote industrial growth in the region. This Commission would work with the communities in the region to develop local manufacturing industries and to secure local capital for such development.[1]

After much discussion over the Blakeny Report, it was decided at the MPBT Executive meeting in Moncton, New Brunswick, on January 28, 1952, to set up a standing Legislative Committee of the MPBT to prepare and submit briefs regarding regional industrial policies to the four provincial governments. This committee would serve as a formal link between the MPBT and the four governments. It appears, therefore, that the MPBT accepted the idea of the Blakeny Report of an Industrial Commission, but not one that would be an agency of the provinces. Rather, it preferred one tied to the MPBT and given official linkages to the provinces.

The MPBT's proposal was carried forward at a subsequent Executive meeting in Saint John, New Brunswick, on April 4, 1952. It was decided that the new Legislative Committee would present a brief based on the Blakeny Report's recommendations to the four provincial governments. This idea was worked out at the 52nd Annual General Meeting of the MPBT on October 8, 1952, in

Charlottetown, Prince Edward Island. A new brief prepared by Dr. Blakeny titled "Proposal for Survey of Economic Conditions in the Maritime Provinces of Canada" was presented to the MPBT. In the report, Dr. Blakeny spoke of the need for:

> full cooperation between the various social, political and industrial groups. In our relatively small land area, divided into provincial spheres or zones of government, each in itself a separate entity, with little cooperation or consultation one with the other, we are sadly in need of a unified policy for the Maritime Provinces. Whether we realize it or not, our problems are more or less mutual, and yet we have made but a feeble effort to work them out together. To accomplish objectives in these provinces we must speak with a united voice, and know whereof we speak.[2]

Dr. Blakeny's second report called for the appointment of a Royal Commission of Enquiry by all four provincial governments to study transportation matters, factors influencing economic growth forces, and to recommend policies to promote economic growth.

Dr. Blakeny proposed that the purpose of this Royal Commission would be to investigate all matters concerning the economic well-being of the region. It was to place special emphasis on:

a) existing industries that could be profitably expanded;
b) venture capital;
c) the development of a regional power pool;
d) the implications of federal economic development policies for the region.[3]

Dr. Blakeny further recommended that appointments to the Royal Commission be based on the manner followed by the Maritime Transportation Commission.

The proposals and recommendations contained in Dr. Blakeny's second report were unanimously adopted by the MPBT membership. The Board of Directors was asked to prepare a brief incorporating the recommendations for submission to the four provincial governments.

This directive to the Board of Directors did not meet with easy approval. At its meeting of December 8, 1952, in Moncton, the Executive reviewed the "Commission of Enquiry" resolution. Strong opposition came from Mr. L. W. Simms of Lancaster, New Brunswick, and from the Maritime Transportation Commission. One particular area of disagreement was the recommendation that the Board of Directors urge the provinces to appoint their own members to the Royal Commission.

It was decided that if such a commission were to arise, the MPBT would have to be the organizer, presumably to ensure that the commission's mandate would correspond to the needs of business as opposed to government. It appears the MPBT did not want politics to disrupt this private sector initiative.

A seven-man committee was named to establish the commission and to undertake a review of the economic problems in the region. No chairman was named, but two possible candidates were suggested. It was left to the President of the MPBT, G. G. Anglin, to select one of them.

However, at the next Executive meeting on March 16, 1953, in Moncton, President Anglin reported that he had not succeeded in securing a chairman. He suggested that the provincial Premiers inviting them and their Ministers be invited to meet with the Executive to discuss the formation of the proposed "Maritime Economic Commission" and "other subjects of mutual concern."

A meeting between the four Atlantic Premiers and the Executive of the MPBT was called for September 14, 1953, at Moncton, New Brunswick. President Anglin and Directors Frank Curtis of Charlottetown and A. Irvine Barrow of Halifax did all the field work and wrote most of the correspondence organizing this "event." The Executive of the MPBT created the agenda, while the MPBT's staff made all the arrangements.

THE ROUNDTABLE CONFERENCE: SEPTEMBER 15, 1953, MONCTON, NEW BRUNSWICK

This historic conference was the first such roundtable discussion of regional cooperation since the Charlottetown Conference of 1864. This fact was played upon by the press covering the meeting. For example, the Halifax Chronicle-Herald headline of September 14, 1954, stated "Maritime Union Talk Renewed," despite its later disclaimer that such a topic would probably never be mentioned because of its impracticality.[4] In fact, Maritime union was not the topic of discussion, merely increased cooperation. See Figure 1 for a list of the representatives at this meeting.

The meeting was called primarily to discuss the establishment of the Maritime Commission, but the first four agenda items dealt with the establishment of:

1. A uniform highway code;
2. A joint committee of the four governments to study improved standards of education;
3. A joint committee of the four governments to study a joint tourism promotion program; and
4. Ministerial committees to further manufacturing and natural resource industrial development.

The fifth and final item on the agenda, reserved for the afternoon session, was a discussion of the proposed Commission of Enquiry.[5]

The first four agenda topics were dispatched with fairly quickly. Premiers MacDonald of Nova Scotia and Matheson of Prince Edward Island stated that their provinces were only committed to a study of a uniform highway code and felt this matter should be discussed further amongst officials of the four Departments of Highways. Premier Flemming of New Brunswick concurred with the idea of a study. The Honourable P. J. Lewis, representing Premier Smallwood of Newfoundland who was absent due to other business, felt that uniformity could only be discussed after the roads were built, alluding to Newfoundland's infrastructure expansion program.

The second topic of discussion, greater cooperation in education, was discussed at greater length. This was primarily due to the amount of cooperation in post-secondary education already existing, such as the Common Examining Board of the Maritime Provinces and Newfoundland. This had been established in 1931 as a result of the recommendations of the Carnegie Report

Figure 1

ATLANTIC PREMIERS-MARITIME PROVINCES BOARD OF TRADE MEETING

MONCTON, NEW BRUNSWICK, SEPTEMBER 14, 1953

LIST OF PERSONS ATTENDING

The Government of Newfoundland

Hon. P.J. Lewis, Q.C.
Minister without Portfolio

The Government of New Brunswick

Hon. Hugh John Flemming, Premier
Hon. Norman Buchanan,
Minister of Lands and Mines
Hon. Edgar Fournier,
Chairman, N.B. Electric Power Commission
Hon. Dr. J. F. McInerney, Minister of Health and Social Services
Hon. T. Babbitt Parlee,
President of the Executive Council
Hon. Donald D. Patterson,
Provincial Secretary-Treasurer
Hon. Roger Pichette,
Minister of Industry and Development
Hon. Cyril Sherwood,
Minister of Agriculture
Hon. A. E. Skaling, Minister of Labour
Hon. Claude Taylor,
Minister of Education and Municipal Affairs
Hon. W. J. West, Q.C., Attorney-General
A. S. Donald
W. A. Moore
J. A. Patterson
R. A. Tweedie

The Government of Nova Scotia

Hon. Angus L. MacDonald, Premier

The Government of Prince Edward Island

Hon. Alexander W. Matheson, Premier
Hon. Keir Clark, Minister of Education
Hon. Eugene Cullen, Minister of Industry and Natural Resources
Hon. Walter Darby, Attorney-General

Maritime Provinces Board Of Trade

Newfoundland:

H.R.V. Earle, Vice-President
MPBT for Newfoundland

New Brunswick:

G.G. Anglin, Saint John, President
MPBT (Chairman)
Dr. C. H. Blakeny, Moncton
W. R. Fiske, President,
Moncton Board of Trade
S. M. Henderson, Campbellton
H. L. Hill, Moncton
H. Watson Jamer, Saint John
D. Laidlaw, Saint John
Merven Mc _______, St. Stephen
Mayor H. A. Joyce, Moncton
Gerald Murphy,
Transportation Department
G. F. O'Connell, Saint John
A. T. Parkes,
Executive Secretary, MPBT

Nova Scotia:

A.I. Barrow, Halifax
R.J. Bell, Dartmouth
Col. U. G. Dawson, Yarmouth
H. N. Soley, Springhill
G. W. Wilson, Vice-President,
MPBT for Nova Scotia

Prince Edward Island:

F. W. Curtis, Charlottetown
O. Johnson, Souris
F. A. MacKenzie, Charlottetown
Dr. Frank MacKinnon,
Charlottetown
B. Graham Rogers, Charlottetown

of the early 1920s on education in the four provinces. Already, a "gentlemen's agreement" between the four provinces had recognized regional institutions such as Dalhousie University's Medical, Dental, Pharmaceutical and Social Work Schools, the Forestry School at the University of New Brunswick and cooperation between the various engineering schools in the region.

The Honourable P. J. Lewis of Newfoundland rejected his province's participation in a unified system of education. He argued that because of cultural differences, Newfoundland would have to maintain its own system of education. Premier MacDonald of Nova Scotia also avoided committing himself to a unified education system. He noted that education was a senior government portfolio and, therefore, would be borne solely by the province. Any changes in the education system would be carried out by the government alone. The Ministers of Education for New Brunswick and Prince Edward Island both agreed with the idea of increased uniformity and supported a study in this area. However, no clear decision to pursue this area was made.

The third item, joint tourism promotion, received enthusiastic support from Premier Matheson of Prince Edward Island. He suggested that savings could be made by combining resources in advertising and joint tourist facilities. Premier Flemming of New Brunswick concurred with Premier Matheson on the attractiveness of the proposal. However, he felt tourism would have to remain a competitive industry among the provinces due to the large provincial expenditures already made in this area. The Honourable P. J. Lewis of Newfoundland found merit in joint tourism promotion. However, he saw problems for Newfoundland's participation in such a scheme due to its lack of tourist accommodation. Premier MacDonald concurred with the comments of the other three provinces. It appears that this area of cooperation had a greater potential for action than the two previous items.

There was a fair amount of discussion on topic four, ministerial committees to further economic growth. Provincial representatives placed special emphasis on their own "pet projects." For example, New Brunswick spoke of the manufacturing industry, Prince Edward Island spoke of tourism and fisheries, and Newfoundland spoke of international trade and tariffs.

The topic of major discussion, as previously stated, was the Maritime Commission. Premier MacDonald of Nova Scotia felt this was the most important topic of discussion:

> It is idle to talk about improving education or roads or doing anything else that involves the spending of money, unless we are able to get the money, and that, of course, depends on the industrial economy of the area involved.[6]

He rejected the idea of a Royal Commission and favoured the creation of an economic council, similar to the New England Council. He suggested that it be financed solely by the Boards of Trade in the region.

Premier Flemming, however, was much more cautious in his view of creating an economic commission or council. As he stated, "I rise with a certain amount of fear and trembling, in view of the fact that this Recommendation No. 5 seems to me to be involving a very long step."[7] He did not favour a Royal Commission due to their chronically disused recommendations, and felt an economic council already existed in kind with the MPBT. Rather, he favoured reliance on the roundtable approach to economic problems wherein the four governments and business talked over problems and sought solutions.

Premier Matheson concurred with Premier Flemming, but did find Premier MacDonald's idea attractive. Mr. Lewis of Newfoundland also expressed reluctance to commit his government at this time. However, Mr. Earle, the Newfoundland Vice-President of the MPBT, found Premier MacDonald's idea of an economic council much more attractive.

The Premiers had a short conference among themselves. They concluded that the idea of an economic council be discussed at the next annual meeting of the MPBT and any decisions on the matter be forwarded to the four provincial governments for consideration. It was also decided that the New Brunswick government would conduct studies on improved education standards and on the development of industry and natural resources. The government of Prince Edward Island would study the uniform highway code and joint tourism promotion.

The final order of business was a call by President Anglin that an annual meeting of the MPBT and the four Atlantic Premiers be continued on the invitation of the MPBT. All four provincial governments agreed to this idea. While no concrete action on regional problems was adopted at this meeting, the fact that the Premiers agreed to its continuance and the fact that they agreed to investigate regional approaches indicate that this meeting has particular significance in the subsequent establishment of the Atlantic Premiers Conferences.

Another important point made in this meeting was that the provinces felt that it was business's place to bear the greater part of the financing of any regional commission or council. The four provinces felt that economic growth was primarily a private sector responsibility and that the cost of attracting industrial development should be borne by the private sector. At the same time, the provision of the requisite services and frameworks on which new and expanding industries could build was the role of government. This line of reasoning derived from liberal, laissez-faire economics. Such views dominated economic thought of the day.

THE PROPOSED ECONOMIC COUNCIL

As agreed at the September meeting between the MPBT and the provincial Premiers, the MPBT's 53rd Annual Meeting held on October 5, 1953, at Saint John, New Brunswick, dealt primarily with the amended brief presented by G. G. Anglin titled "Recommendations for the Establishment of an Atlantic Provinces Economic Council to Survey the Economic Conditions in the Atlantic Provinces of Canada."

This proposal was merely a duplicate of the one recommending the creation of an Economic Commission of Enquiry, except with the words "Economic Council" substituting for "Commission of Enquiry."[8] However, Recommendation No. 3, regarding appointments to the council, was changed to allow the provincial governments three appointments each, following consultation with the MPBT. These 12 representatives would constitute the "formative body" that would recommend the council's scope of activity, needed research capacity, methods of obtaining information, financing arrangements, and other duties. The MPBT also set up a list of suitable appointments to the council, from which the provinces could give their final approval. The brief was unanimously adopted, and the incoming Executive was directed to present it to the four provincial governments for their consideration.

On December 7, 1953, the MPBT Executive in Moncton addressed letters to the Premiers covering the two broad topics discussed at the September meeting. The first letter, sent to Premier Flemming of New Brunswick and Premier Matheson of Prince Edward Island, concerned those provinces' responsibilities for conducting studies into the four areas of regional cooperation. These were education and trade and industry matters (New Brunswick), and uniform highway safety and joint tourist promotion (Prince Edward Island). Both letters begged quick consideration as other provincial representatives required information for revised legislative or budgetary action so as to include these regional programs in their provincial activities.[9]

The second item of correspondence concerned the brief on the Economic Council. It was forwarded to the three Maritime Premiers, included with the list of possible appointees. The MPBT asked for prompt consideration in this matter.[10] However, the briefing material was not sent immediately to Premier Smallwood of Newfoundland. Rather, it was sent to Mr. T. S. A. Freeman, Vice-President (Newfoundland) of the MPBT, advising him that the package would be sent to Premier Smallwood a week later. Mr. Freeman responded by asking for a delay in briefing Premier Smallwood until he had had time to consult the Newfoundland Board of Trade.[11] Premier Smallwood later received the briefing package and made his recommendations.

All Premiers promptly indicated their progress on these matters to the MPBT Executive. By mid-December of 1953, all the Premiers had been interviewed by the provincial MPBT representatives on their ideas concerning the creation of an Economic Council, and had agreed to nominate provincial representatives to the council as the "formative body."

Finally, on July 15, 1954, the Premier of Nova Scotia, Harold Connolly (who replaced Premier Angus L. MacDonald upon his death), wrote his colleagues calling for an organizational meeting to set up the Economic Council.[13]

Appointees to the Council had been selected and after some further correspondence, the initial meeting of the Atlantic Provinces Economic Council was arranged to be held in Halifax, Nova Scotia, on September 28, 1954.

APEC ORGANIZATIONAL MEETING: SEPTEMBER 28, 1954

APEC's first meeting was attended by the four Atlantic Premiers: Premier Flemming of New Brunswick, Premier Smallwood of Newfoundland, Premier Hicks of Nova Scotia and Premier Matheson of Prince Edward Island.[14]

One important guest at the organizational meeting of APEC was Mr. Walter P. Raleigh, Executive Vice-President of the New England Council, on which the organizational structure of APEC was to be based.

The day-long meeting was divided into two parts. The morning session was attended by all delegates at which time the Premiers outlined their views on provincial cooperation with the council. The afternoon session was reserved solely for the 12 appointees and Mr. Raleigh. The following topics were discussed:

1. The size and scope of activities of the council.
2. The amount of information required to conduct an economic survey of the region.
3. The manner in which this information would be obtained.
4. The financing of the council.
5. Other organizational matters.

The afternoon session was, understandably, the important session, and most information covered during this meeting concerned the council organization. The Premiers' meeting merely endorsed the attitudes brought forward at the Roundtable Conference of the previous year. Each Premier also introduced his nominees.

At the first APEC meeting, it was decided that:

1. The four provinces would be equally represented on the council.
2. Council membership would be open to all organizations with interest in Atlantic Canada.
3. The recommendations of the MPBT made at their meeting of October 5, 1953, would be adopted as the council's scope of activities.
4. The council would be incorporated as a non-profit organization.
5. Tentative by-laws would be drawn up for discussion at the next meeting.
6. Membership would be decided upon at general or special meetings.
7. Financing of the council would be as follows:

New Brunswick	$ 9,900	(33%)
Newfoundland	6,600	(22%)
Nova Scotia	12,000	(40%)
Prince Edward Island	1,500	(5%)
	$30,000	(100%)

Each provincial appointee would have the responsibility of raising the provincial funds through donations from business, individuals and from the governments "if desirable."

8. An Organizing Committee would be established consisting of Mr. A. T. Parkes, Executive-Secretary of the MPBT; Mr. Rand Matheson, Executive Manager of the Maritime Transportation Commission; and Mr. Ward Stewart, Manager of the Maritime Branch, Canadian Manufacturers' Association. They were asked to advertise for an Executive Officer.
9. A Selection Committee would be established consisting of Mr. C. J. Morrow, Mr. R. W. Ganong, Mr. Arthur Johnson and Mr. Carl Burke. They were to appoint the Executive Officer.
10. A study of membership dues would be made and be discussed at the following meeting.[15]

It is interesting to note that the delineation between the term "Maritime" and "Atlantic" region began around this period. Up to this point, the four provinces were generally referred to as the "Maritime Provinces" or "the Maritime Provinces and Newfoundland." All regional organizations used this term, such as the Maritime Provinces Board of Trade, and the Maritime Transportation Commission. Now, the four provinces began to be termed the "Atlantic" region, beginning with the creation of the Atlantic Provinces Economic Council.

At the second organizational meeting of APEC on January 27, 1955, in Moncton, New Brunswick, Nelson Mann was appointed Executive Manager. A Provisional Executive was named, and the council's constitution, by-laws and charter of incorporation were approved and adopted.[16]

An important factor at this meeting was the participation of Newfoundland. While provincial donations were obtained solely from private sector organizations in New Brunswick, Nova Scotia and Prince Edward Island, the full Newfoundland contribution was to be paid by the Department of Economic Development of Newfoundland.[17] It was to take another three years before the Newfoundland contributions would be obtained from private donors.

THE APEC MANDATE

The first General Meeting of APEC was held on March 28, 1955, in Halifax, Nova Scotia. At this meeting, Mr. R. W. Ganong was elected President. The Board of Directors was also elected. Seven Directors were selected from each of the Maritime provinces and four from Newfoundland. The final copy of the by-laws of the council was also approved and adopted at this meeting.[18]

On May 16, 1955, the second APEC Board of Directors Meeting was held in Moncton, New Brunswick. Four permanent working committees were set up:

1. Committee on Agriculture: R. W. Ganong, Vice-President, Ganong Brothers, Chairman.
2. Atlantic Provinces Trade Committee: E. D. Brown, Vice-President and General Manager of Canadian Gypsum Co., Chairman.
3. Tourism Committee: C. J. Morrow, President of National Sea Products, Chairman.
4. Power Committee: R. E. Tweeddale, Assistant Chief Engineer for the New Brunswick Power Commission, Chairman.

APEC had great expectations of the challenges before these committees in the area of interprovincial cooperation. In a speech to the Halifax Rotary Club on May 24, 1955, Nelson Mann, Executive Manager of APEC, remarked, "We first had to develop a sense of just what should be done with our interprovincial trade and the support of it."[19] Clearly, APEC's direction was to take a proactive role in the promotion and expansion of trade within the region, with other parts of Canada, and most importantly, in foreign markets.

Mr. Mann also referred to a letter he had received from Leo Dolan, the Director of the Canadian Government Travel Bureau, regarding the tourism industry:

> The opportunity for developing the tourist trade is so great within the Maritime Provinces that I am sure a little cooperation and some forward thinking would be of tremendous value at this time.[20]

The Power Committee was directed to respond to the recommendations made in the Christie Report on thermal power generation of 1954. The report stated:

> To attain minimum electrical rates in the Maritime Provinces, it is proposed that New Brunswick and Nova Scotia be considered a single area for electrical generation and distribution. The consolidated system could be controlled by a single power authority rather than the two present Power Commissions. All present generating systems, private or publically owned, would be merged into a pool together with systems in Northern Maine, and operated as a single group over an interconnecting high voltage transmisson system.[21]

The Christie Report also commented on the main problem in achieving such a system:

> Real statemanship will be necessary to realize such a consolidation as local politics and provincial pride will oppose such a move. In this case, the good of the whole area should supersede petty prejudice.[22]

With this in mind, APEC's Power Committee was given the responsibility of using its statesmanship to negotiate with the provinces and the electric utilities to achieve the interprovincial power grid. In this sense, APEC was given, by agreement of the provinces, the responsibility of being the single-most powerful organization to achieve cooperation among the four Atlantic provinces.

This was evident in the organization of the first APEC seminar on the Atlantic Economy, held at the University of New Brunswick in Fredericton on

September 14-16, 1955. Prominent regional, national and international businessmen and academics discussed the problems and future of the various sectors of the region's economy. Premiers Flemming of New Brunswick, Hicks of Nova Scotia and Matheson of Prince Edward Island (Premier Smallwood of Newfoundland was unable to be present) attended the closing session.[23] It is not known to what extent they actively participated in the conclusions reached by the seminar. It is assumed they merely attended as interested observers and as "fathers" of the host organization. The result of this seminar was extremely important. It began the struggle to establish regional development initiatives and to move the federal government's focus away from isolated projects to the formulation of a set of policies and a framework for regional development.

CONCLUSION

The creation of APEC had brought together the four Premiers into discussions of cooperation in economic and social issues. While the original initiative had taken place in the private sector, the Premiers appeared eager to 'hold on to a good thing' and broaden their discussions on a number of issues.

The Premiers had begun to take a more pro-active role in the development of the Atlantic region. The laissez-faire attitude of leaving such concerns to the marketplace was quickly being transformed into a more interventionist approach to development. However, the Premiers did not have a single issue or concern with which they could pursue this objective. The new-found cooperative spirit was in danger of dissipating. It took a year of great changes in the economy of the region and the nation, as well as a recognition of the value of APEC, before the Premiers took up the challenge of redeveloping the region.

CHAPTER 2

THE ESTABLISHMENT OF THE ATLANTIC PREMIERS CONFERENCE: PRIVATE SECTOR INITIATIVE, 1956-1961

INTRODUCTION

The post-war years in Canada's economy were marked by the laissez-faire attitude of the federal government. It refused to recognize the claims of the region, and relied heavily on the manufacturing sector in Central Canada. The Atlantic provinces opposed this attitude, and at a number of federal-provincial conferences, called for a form of fiscal equalization to the poorer provinces.

However, this all changed with Prime Minister St. Laurent's speech to the Canadian Labour Congress of April 24, 1956, when he called for economic redevelopment in the Atlantic region. It was the first instance where he publicly acknowledged the special needs of the area. He also challenged the region to initiate this redevelopment. Premier Hugh John Flemming responded to this challenge, calling the First Atlantic Premiers Conference on July 9, 1956.

The period 1956 through 1961 was, therefore, charged with ideas for redevelopment. On the leading edge of this was APEC, who played an increasingly influential role in the Premiers Conferences. APEC was not only a full participant in these conferences, but members of its Executive coordinated the activities of various Premiers' Committees and were authorized to conduct studies and negotiations (such as the negotiation of the Interprovincial Power Grid) on behalf of the provinces.

APEC's influence waned in the early 1960s when the federal government began to take the initiative in regional development. The proclamation of the

Agricultural and Rural Development Act (ARDA) and the creation of the Atlantic Development Board (ADB) in 1961 and 1962 respectively drew the attention of the Premiers away from APEC and focussed it on the activities of the federal government.

CANADIAN ECONOMIC DEVELOPMENT POLICY, 1945-1958

To understand the circumstances surrounding the establishment of the Atlantic Premiers Conference, the basic economic thinking of the federal government must be understood. This section will attempt to summarize the economic strategies of the period.

Prime Minister Louis St. Laurent's government followed the established line of the Liberal Party during the previous 40 years. Except in times of national crisis (such as during the Depression and the Second World War) there was little government intervention in the economy of the nation. The Liberal government in Ottawa favoured the general equilibrium theory. This theory noted that the market mechanism (the price system) would allocate land, labour and capital resources to accommodate demand and move the economy to full employment.

The federal government adhered to this approach--a laissez-faire one--leaving economic development to the private sector. Its attempts to stimulate national economic growth were limited to the establishment of tariff barriers and transportation policies. These were intended to foster the growth of new industry and to facilitate the movement of goods. Any direct interventions in the problems of economically depressed regions of Canada were limited to financial grants to provincial governments and some capital assistance to industry. The federal government did not have a regional policy during this period: provincial assistance was not exclusive to any region, but went to all provinces on the same basis.

National tariff and transportation policies tended to favour Central Canada where the bulk of Canadian manufacturing was located. Adding to this, the restrictive monetary policies of the federal government between 1954 and 1957 ensured that there was, as Professor W. Y. Smith stated, "no fair sharing of economic growth."[1] As well, the federal civil service proved to be unreceptive to the ideas of a regional development policy, even given the example of British regional policy of the post-war period.

The Atlantic provinces' positions regarding the policies of the federal government were fairly united. They supported the principle that provinces must provide a reasonable level of services to the population without an unreasonable tax burden. However, they asserted that the federal government must make a concerted effort to attack the problems of regional disparity by establishing a policy of regional development.

For example, at the Federal-Provincial Conference of October 3, 1955, Premier Henry Hicks of Nova Scotia stated that:

> Nova Scotia has not shared in the general prosperity of Canada to the degree which enables it to easily assure to its people a reasonable Canadian level of provincial services without an abnormal burden of taxation. Secondly, that in order for each province to furnish its people with a reasonable level of provincial services, it must have something approaching equal per capita revenue.[2]

Premier Hicks also stated that he hoped that the federal government, in discharging its responsibilities towards the provinces, would assure each province sufficient "revenues which will enable it to discharge adequately its constitutional responsiblities by using the proposal submitted by Nova Scotia or otherwise."[3]

His position was that the subsidies to the Maritime provinces by the federal government under the Maritime Provinces Additional Subsidies Act of 1942 be re-examined on the basis of the purchasing power of the dollar and expenses of government as they existed in 1956. The existing formula was based on the circumstances of 1935.

The other proposal alluded to in Premier Hicks' statement was that of Premier Hugh John Flemming of New Brunswick. At the Federal-Provincial Conference of April 26, 1955, in Ottawa, Premier Flemming presented a proposal for the establishment of a system of special grants.[4] He suggested that these be adopted by the federal government so as to clearly recognize a regional approach to economic development. These national adjustment grants would recognize the Atlantic provinces as a special economic area for the purpose of financial assistance. His proposal was similar to one of the recommendations of the Royal Commission on Dominion-Provincial Relations (the Rowell-Sirois Commission) Report of 1940. These adjustment grants would replace the special subsidies to the Maritime provinces, and perhaps the transitional subsidy paid to Newfoundland under its terms of union with Canada.[5]

Nova Scotia's proposal was rejected by the federal government. Instead, they proposed a system of equalization payments as part of the Federal-Provincial Tax Sharing Arrangements Act of 1957. Under the revised Act, the provinces would receive unconditional equalization payments from Ottawa in an amount necessary to bring a province's tax yields up to the average per capita yield for the two provinces with the highest fiscal capacity.

This state of tense fiscal relations remained--the provinces advocating major fiscal reform along a regional line and the federal government adamently maintaining its position on equalization regardless of provincial necessity.

A FEDERAL INITIATIVE AND THE REGION'S RESPONSE

The tense state of fiscal relations changed radically after a speech given by Prime Minister St. Laurent to a meeting of the Canadian Labour Congress in Toronto on April 24, 1956. To quote from this speech:

> In some areas, particularly in the Atlantic Provinces, efforts on what we might call economic redevelopment seem to be desirable. During this past year in meeting with Provincial Governments, I have been impressed with the readiness of representatives from other parts of the country to recognize that special measures should perhaps be taken to improve the economy of the Atlantic Provinces.
>
> This merits and is receiving attention from many of us; however, the initiative and the ideas, the energies and determination to accomplish this redevelopment cannot originate in other parts of Canada, they must come from the Atlantic area itself. It will then be for us elsewhere to cooperate and help to make such ideas and

> efforts fruitful in providing better opportunities for workers in those areas.[6]

There are two major points of departure from previous positions in this statement. The first is a recognition of the need for a regional approach to economic development in Canada. The second key point is the challenge given to the Atlantic provinces to formulate these regional policies. In the absence of provincial initiatives in this regard, it is doubtful that the federal government would have otherwise introduced programs directed at the specific problems of the region, given its restrictive monetary policies and its policy of favouring industry located in Central Canada.

The federal challenge was quickly taken up. Premier Hugh John Flemming immediately cabled the other Atlantic Premiers (Premier Smallwood of Newfoundland, Premier Hicks of Nova Scotia and Premier Matheson of Prince Edward Island). In his cable to Premier Hicks, Premier Flemming stated:

> ...it is my very strong feeling that the Prime Minister's statement constitutes unprecedented challenge, invitation and opportunity for governments and people of Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland. Although views of our respective provinces have been presented as occasion offered New Brunswick will cooperate in new approach involving united action.[7]

Premier Flemming called for an immediate conference of the Premiers of the Atlantic provinces on July 2, 1956, "to consider and formulate appropriate ways and means of originating plans for cooperative action along the lines advocated by the Prime Minister."[8]

In a recorded interview in the late 1970s, Mr. Flemming recalled the problems of calling such a meeting. Mr. Flemming said:

> I remember having written to Premier Hicks suggesting a meeting, this was prior to the election in New Brunswick, and I remember that the press, of course, knew about me having invited the other Premiers up (including Newfoundland) to come for a discussion. Apparently after they (the press) talked to Premier Hicks about it (and he was quite a hand for wise cracks you know), and so he said, 'Well, we'd better wait, we'd better see; you asked have

> I got any word from the Premier of New Brunswick about coming and my answer would have to be, we'd better wait until after the election to see who'll be the Premier of New Brunswick.' So this, of course, came out in the paper and they asked me about it and I said, 'Well, if Mr. Hicks has been quoted correctly, I still can't understand his reluctance to enter into something that is as important to this area as getting together but assuming that he's justified, then I would say that we'll have to postpone it until after the election in Nova Scotia to see who's going to be Premier in Nova Scotia.' But we didn't; that was enough and they published it and gave it as much publicity I guess as they gave to him. It was fair enough. But we were re-elected, and he wasn't, and so that part was kind of ironic.[9]

After subsequent correspondence, the Premiers agreed to meet in Fredericton for a one-day session on July 9, 1956.

THE POLITICAL SITUATION IN THE PROVINCES IN THE EARLY 1950S

The establishment of a conference of Atlantic Premiers, while having precedents, was a truly unique and exciting prospect in the mid-1950s. To properly understand the times in which the conference was held, one must first understand the personalities involved.

New Brunswick was led by Hugh John Flemming from 1952-1960. The previous government of Liberal Premier John B. McNair (1940-52) was very accommodating to federal interests, much more so than the governments of Nova Scotia and Prince Edward Island. Like Premier McNair, Premier Flemming was very outward-looking and favoured all forms of cooperation as the province clearly had nothing to lose in its search for development prospects.[10]

Premier Flemming was a strong leader; his party affiliation was inbred. He was also leader of a powerful Cabinet. For example, his Minister of Industry and Development, Roger Pichette, had also run for the leadership of the party against Premier Flemming and had deep admiration for the strong policies of the Premier of Quebec, Maurice Duplessis. However, due to the nature of the Conservative Party, Premier Flemming led a cohesive Cabinet.

Premier Flemming's key economic adviser was W. Y. Smith, a professor of economics at the University of New Brunswick. It was on Professor Smith's advice that Premier Flemming sought to persuade the Prime Minister to adopt the national adjustments grants. Professor Smith would prove to play an important role in interprovincial cooperation for the entire period examined in this report.

The government was strongly centralized under the Premier. For example, the Treasury Board of the province existed only in name. Premier Flemming and one or two other Ministers composed the Treasury Board, with Premier Flemming as Minister and Professor Smith as its adviser. The idea of central agencies did not exist in New Brunswick at this time. Premier Flemming, therefore, had little to worry about in the politics of New Brunswick. He led a united and centralized party.

In Nova Scotia, on the other hand, things were quite different during the mid-1950s. Angus L. MacDonald, like Premier Flemming, had led a powerful and united government. After his death in the spring of 1954, Harold Connolly ran the government until a leadership convention could be called.

In September 1954 Henry Hicks was elected leader of the Liberal Party of Nova Scotia, and hence the new Premier. His government was willing to cooperate in areas such as the interprovincial power grid, the Maritime Transportation Commission, fisheries development and joint tourism promotion.

The Premier of Prince Edward Island, Alexander W. Matheson (1953-59), had an approach to regional cooperation similar to that of Premier Flemming. He felt that because each province was a sovereign government, but with little money in which to supply all the government services that the central provinces could, cooperation among the four Atlantic provinces was necessary. Prince Edward Island, like the other provinces, would accommodate cooperative ventures even if they were only of particular interest to one province. Any conflict of interest over a joint venture at this time seemed easily solvable.[11]

Although Newfoundland had only been in Confederation since 1949, Premier Smallwood was a keen supporter of regional economic development. He proved to be a quiet ally of Premier Flemming of New Brunswick in this regard. Newfoundland's first cooperative venture had been the creation of APEC. From the start, however, Premier Smallwood maintained the province's uniqueness. He asserted that Newfoundland was not a Maritime province because of geographical, cultural and resource differences. Premier Smallwood was content to involve himself in regional activities out of the same self-interest that guided the other provinces.[12]

A commitment to solving the problems of the Atlantic region was somewhat less strong at the federal level. The federal government clearly demonstrated a reluctance to deal directly with the problem. As a result, federal-provincial negotiations took place on a project-by-project basis. Under this process, the provinces presented a list of specific projects and the federal government chose whether or not to give aid to any project. In Prince Edward Island, Mr. Robert MacLeod, Executive Assistant to Premier Matheson, noted that a lot of "dreaming of things that would come to pass" was occurring as new approaches were reviewed and applied in an attempt to pull the province out of its troubles. He also stated that there existed a great camaraderie among the four Premiers, and all were exemplary colleagues.[13]

THE FIRST ATLANTIC PREMIERS CONFERENCE
FREDERICTON, NEW BRUNSWICK, JULY 9, 1956

The First Conference of the Atlantic Premiers opened in the New Brunswick Legislative Chamber at 10 a.m. on July 9, 1956. A list of representatives is provided in Figure 2.

In their statements, the Premiers referred to the Prime Minister's speech of April 24 as the initiative for the Conference, and as the Conference Chairman Premier Flemming stated, the "terms of reference" of the Conference.[14]

Premier Hicks' statement reflected this idea, outlining areas of cooperation where the federal government could be of assistance. He called for a study of the Maritime Freight Rates Act to re-analyze the region's position on transportation matters. He noted that high freight rates were "the greatest economic disability suffered by the Atlantic provinces...."[15]

Figure 2

REPRESENTATIVES TO THE ATLANTIC PREMIERS CONFERENCE

FREDERICTON, NEW BRUNSWICK, JULY 9, 1956

The Government of New Brunswick

Hon. Hugh John Flemming, Premier (Chairman)
Hon. T. Babbitt Parlee,
President of the Executive Council
Hon. Cyril B. Sherwood,
Minister of Agriculture
Hon. Edgar Fournier, Chairman,
N.B. Electric Power Commission
Hon. Arthur E. Skaling, Minister of Labour
Hon. W. J. West, Attorney General
Hon. Donald D. Patterson,
Provincial Secretary-Treasurer
Hon. Roger Pichette,
Minister of Industry and Development
Hon. Norman Buchanan,
Minister of Lands and Mines
R. S. FitzRandolph, Comptroller General
Kenneth B. Carson,
Executive Assistant to Premier Flemming
Professor W. Y. Smith,
Economic Adviser to the New Brunswick Government

The Government of Newfoundland

Hon. Joseph R. Smallwood, Premier
Hon. P. J. Lewis
Hon. Dr. F. W. Rowe, Minister of Education
Gordon Pushie, Director of Economic Development
Arthur Johnson,
Deputy Minister of Economic Development
Ross Young, Commissioner,
Fisheries Development Authority

The Government of Nova Scotia

Hon. Henry D. Hicks, Premier
Hon. W. T. Dauphinee
Zilpha Linkletter, Director of Economics Branch, Department of Trade and Industry
John R. Bigelow,
Deputy Minister of Trade and Industry
A. A. Crowell,
Executive Assistant to Premier Hicks

The Government of Prince Edward Island

Hon. Alexander W. Matheson, Premier
Hon. Keir Clark, Minister of Education
Hon. B.R. MacDonald, Provincial Treasurer
P.S. Fielding, Deputy Provincial Secretary
W.E. Massey, Deputy Provincial Treasurer
H.R. Carruthers, Deputy Provincial Auditor

Atlantic Provinces Economic Council

R. Whidden Ganong, President
O. Nelson Mann, Executive Manager
Gordon Elman (N.S.)
Arthur T. Parkes (N.B.)
Clarence J. Morrow (N.S.)
L.W. Simms (N.B.)
H. Watson Jamer (N.B.)
Dr. Frank MacKinnon (PEI)

Maritime Transportation Commission

A. Murray MacKay, Chairman
Howard Mann, Executive Manager

Other

A. Cross
R. E. Tweeddale
H. Allan
F. Ayers

Premier Hicks also called for a change in Canadian tariff policies "which contribute to our difficulty in increasing our trade with the New England States."[16] He also called for a decentralization of industry in Canada, with particular reference to the defence industries, such as the electronics and aircraft industries.

Premier Hicks also spoke of the coal industry, noting that "we have a committee working on the possibility of incorporating the use of Nova Scotia coal in your [New Brunswick's] smelting processes."[17] He also spoke of the use of coal in generating electricity, placing special emphasis on the interprovincial power grid.

Premier Hicks suggested that through cooperation, the Atlantic provinces:

> could induce the federal authorities to interest themselves more directly in the marketing of our fish and the development of tariff policies for the continuing ability to dispose of our fish products from year to year.[18]

He felt that this same approach could be used in agricultural products marketing.

Premier Flemming spoke next, outlining the form cooperation in the region should take. His main concern was with establishing:

> cooperative machinery through which our officials may make an exhaustive analysis of our problems and prepare a series of draft proposals for consideration at a subsequent meeting.[19]

Premier Flemming's proposed machinery was a continuing Advisory Committee of officials that would prepare a draft redevelopment program for the region. It would be staffed by representatives of all four Atlantic provinces, plus APEC and MTC officials. It would have the authority to appoint sub-committees to study other particular problems, but would not be delegated any authority other than serving an advisory function to the Premiers Conference.

Premier Flemming's item of major concern regarding regional redevelopment was the need for special subsidies, similar to the proposal he offered at the Federal-Provincial Conference of October 3, 1955. He also called for federal assistance to national resource development projects, through federal capital assistance in electric power development.

Transportation was also of major concern to Premier Flemming. He noted that the differentials in freight rates given to the Atlantic region "have been, and are being, continually whittled away by horizontal percentage increases" and immediate attention to this matter must be taken by all the governments.[20]

Professor W. Y. Smith's influence on the economic policy of New Brunswick is evident in Premier Flemming's call for an investigation of the impact the federal government's monetary and fiscal policies had on the economy of the region. Professor Smith maintained that the federal government's restrictive economic policies had favoured Central Canada, and adversely affected the Atlantic region.[21] Premier Flemming felt that a study of this should be assigned to the proposed Advisory Committee.

Premier Flemming also stated that:

> In addition to framing proposals for the consideration of the Federal government, I believe, the Continuing Advisory Committee should give careful consideration to the ways in which we can cooperate to our mutual benefit.[22]

The two areas most needing cooperative effort, he felt, were in the tourism industry and in the marketing of fish and agricultural products. He noted that "these are common problems and by working together on these problems we can bring enormous benefits to the people of this region."[23]

Trade representation in foreign countries and a study of regional development policies of other countries were also proposed by Premier Flemming. He also warned the other Premiers about the possible impact of the St. Lawrence Seaway and Trans-Canada Pipeline on Eastern Canada. As he cautioned:

> Can we...afford to shut our eyes and ignore the possible effects of the deepening of the St. Lawrence on the ports of Halifax and Saint John? Can we be blind to the fact that industry in Central Canada using Eastern coal may possibly substitute Western gas at less cost? Is it possible that we, in these Atlantic Provinces, may find our relative economic position to the Canadian average growing progressively worse in the future. These I submit are matters requiring careful thought in order that appropriate action can be taken in time.[24]

The Premier of Prince Edward Island was the next to speak. Premier Matheson began his address with a cautionary remark to the press of Central Canada. An Ottawa newspaper reportedly attached political implications to the Conference, what with three of the four Atlantic Premiers leading provincial Liberal Parties and with a federal Liberal Party in power in Ottawa. Premier Matheson stated that the Premiers, "regardless of any political party to which we may profess our allegiance, will work in the interests of all the provinces of this particular region."[25] This statement would prove to be indicative of the subsequent Atlantic Premiers Conferences: partisan politics would be avoided in the discussions among the Premiers. However, in terms of each province's relations with Ottawa, party politics would prove to be an important force.

Premier Matheson also reacted to Premier Flemming's opening remarks that "the present meeting may be considered as a resumption of a certain order of business which was interrupted in the City of Charlottetown in the year 1864."[26] Premier Matheson denied this position stating, "I do not think we should have any union of these provinces."[27]

Premier Matheson agreed with much that was said by Premiers Flemming and Hicks before him. However, he did hasten to add his own concern over the Northern Lands issue. He felt that all of Canada had a share in the mineral developments in those lands ceded to Quebec in 1910 but that "we in this region are not receiving our share of our original investment."[28]

Premier Matheson also supported the idea of a Northumberland Strait causeway, and thanked New Brunswick for a survey it conducted on the landfill required to build such a causeway. Premier Matheson also supported the idea of federal capital grants and other forms of assistance to develop the natural resource industries.

Premier Smallwood of Newfoundland was the last Premier to speak. His major concern was with the "backward" state of Newfoundland in relation to the Maritime provinces, and in turn, the state of the four Atlantic provinces in relation to Ottawa. He stated that there was no point in complaining to Ottawa about the undeveloped state of the region's economy, but that each province had:

> the duty to do all that is in our power before we go whining to Ottawa. We must do all that is in our power to do for ourselves, we must do that. We must develop our own part of Canada with the last bit of our skill and the last bit of our enthusiasm.[29]

Premier Smallwood also felt that the federal government's policy of treating all provinces equally was unfair because it would end with "three or four, perhaps five, enormously rich provinces...and four or five poor-houses of Canada."[30] He recommended that the Atlantic region avoid becoming a colony of Central Canada, and that federal assistance and transfers should be sent to the region to help develop it. As well, he felt the federal government should lessen the tax burden on resources produced in Newfoundland and Labrador.

Premier Smallwood saw potential for improved federal-provincial relations by following the report of the Royal Commission on Canada's Economic Prospects (the Gordon Commission). He predicted that the Atlantic region, for the first time, would "get the kind of consideration that we as Canadian citizens, as Canadian people, so richly deserve."[31]

The public sessions ended with statements by APEC and the Maritime Transportation Commission. Mr. R. Whidden Ganong, President of APEC, congratulated the Premiers on their acceptance of Prime Minister St. Laurent's challenge. He also outlined four general principles to follow in developing the economy of Atlantic Canada. These were:

1. Single out an industry and break it down into its constituent parts which APEC and the Premiers could study.
2. Outline the objectives and requirements that would need to be met in order to improve each industry.
3. Define alternative courses of action and analyze their consequences for those industries chosen for development.
4. Determine which alternative fulfills the objectives and requirements and decide on how it can be implemented.[32]

Mr. A. Murray MacKay, Chairman of the Maritime Transportation Commission, spoke in more specifics than his APEC colleague. He defended transportation as being of "the greatest significance to our four provinces."[33] He proceeded to outline the problems in transportation that faced the region at that time:

1. The increased dependency on Canadian domestic trade due to the restrictive monetary policies followed by the national government;
2. The distance goods must travel in and out of the region;
3. The way in which horizontal uniform percentage increases in freight rates adversely affect the price of bulk commodities shipped out of the region; and
4. The decrease in freight rates elsewhere in Canada unaccompanied by similar decreases in Atlantic Canada.[34]

Mr. MacKay presented two memoranda to the Conference to support his contentions, one on the Maritime Freight Rates Act and the other on horizontal freight rate increases.

After adjourning for lunch, the private session commenced. These deliberations focussed on methods to discuss further cooperative efforts and on transportation matters.

It was agreed during the private session that transportation was a "common problem" and that Premier Hicks would go to Ottawa to discuss transportation matters in the region with the Prime Minister.[35] Premier Smallwood felt natural resources were the "big thing of all."[36] This led to a proposed study or survey of natural resources in the region.

Premier Flemming emphasized his concern over the need for broader federal economic policies. He again called for special adjustment grants for the Atlantic provinces. Other areas of future consideration brought forward by Premier Flemming were the placing of defence industries in the region, tariffs, trade relations with the British Caribbean Federation and agricultural and fisheries products marketing.

Professor Smith briefly outlined the proposed adjustment grants: New Brunswick alone would require approximately $20 million per year over the next ten years. It was also suggested that a technical committee would be needed to study the time span of building an interprovincial power grid. Revealed in Nelson Mann's notes were discussions on federal funding of special projects, the development of technical and economic research, management problems and trade with Venezuela. There is no expansion of these ideas elsewhere in Mr. Mann's notes.[37]

Finally, the idea of a Continuing Advisory Commitee was discussed. After obtaining approval, representatives were chosen and the committee was given the responsiblity of adding other topics to those previously outlined. An Agenda Committee had already been established by the Government of New Brunswick to coordinate the First Atlantic Premiers Conference. It met on occasion in the month preceding the Conference. Representatives on this committee were:

New Brunswick:	Professor W. Y. Smith, Economic Adviser to the Government of New Brunswick Kenneth Carson, Executive Assistant to the Premier R. S. FitzRandolph, Comptroller General
Newfoundland:	Gordon Pushie, Director of Economic Development
Nova Scotia:	A. A. Crowell, Executive Assistant to the Premier
Prince Edward Island:	H. R. Carruthers, Deputy Provincial Auditor P. S. Fielding, Deputy Provincial Secretary
APEC:	O. Nelson Mann, Executive Manager
MTC:	Howard Mann, Executive Manager

Through correspondence, and during a meeting in Moncton, New Brunswick, on July 4, 1956, this committee was able to set up the agenda and bring forward cooperative endeavours for consideration by the Premiers.

The Agenda Committee meeting was attended by all representatives, with the exception of Mr. Pushie of Newfoundland, and lasted two hours. The agenda was approved as presented and a press release regarding the forthcoming Conference was drafted. Both these items were later approved by the Premiers.

Perhaps it was the success of the Agenda Committee that led the four Premiers to establish a Continuing Committee of the Atlantic Premiers Conference. Representatives on this committee were:

New Brunswick:

Mr. R. S. FitzRandolph, Comptroller General
Professor W. Y. Smith, Economic Adviser to the Government of New Brunswick
Mr. K. B. Carson, Executive Assistant to Premier Flemming

Newfoundland:

Mr. Gordon Pushie, Director, Economic Development
Mr. Arthur Johnson, Deputy Minister of Economic Development
Mr. Ross Young, Commissioner, Fisheries Development Authority

Nova Scotia:

Mr. John R. Bigelow, Deputy Minister of Trade and Industry
Mr. A. A. Crowell, Executive Assistant to Premier Hicks
Miss Zilpha Linkletter, Director, Economics Branch, Department of Trade and Industry

Prince Edward Island:

Mr. P. S. Fielding, Deputy Provincial Secretary
Mr. W. E. Massey, Deputy Provincial Treasurer
Mr. H. R. Carruthers, Deputy Provincial Auditor

Nelson Mann was appointed as Secretary to the Continuing Committee. Its terms of reference were to study and make recommendations to a later Premiers Conference on the following areas of regional interest:

1. Tariff policy in relation to the region's economy;
2. Developing defence industries and increasing defence orders in the region;
3. The marketing of agricultural and fisheries products;
4. Promotion of a closer trade relationship with the British West Indies;
5. Any other item that the Committee believed to be relevant to the needs of the region.[38]

The Continuing Committee was similar to the one proposed by Premier Flemming. It had the responsibility to place items under study, but was not delegated authority by any of the provincial governments. Therefore, it formalized the relationship that was established under the Agenda Committee. As Flemming stated in an interview before his death:

> The right way to do things of this nature [setting up an advisory body] was that you couldn't pre-determine how fast you could go or to what extent you could go in connection with what you wanted to accomplish. That the way to do it was rather to start out with a skeleton organization and add to it, if the business developed.[39]

Premier Flemming and the other Premiers, while accepting the Prime Minister's challenge, had still not firmly committed themselves to future cooperation. Even though they had agreed to meet again in Halifax, none of the Premiers had committed themselves to the idea of regular conferences. The Continuing Committee would continue to meet up to the Halifax Conference, but the future of it was uncertain after that. According to Premier Flemming, it would only continue so long as it had business to discuss, but this too was left uncertain after the 1956 Conference.

This state of uncertainty was supported by the Premiers' comments to the press after the Conference. Premier Matheson stated, "Something was accomplished, I suppose, but I don't know whether I am too enthusiastic or not."[40] Premier Hicks was a bit more mysterious when he stated, "I am as enthusiastic about the outcome as I expected to be."[41] Premier Smallwood was more optimistic when he said, "It was most interesting. I hope something will come of it."[42]

It is interesting to note the extent to which the New Brunswick government went in order to promote this Conference. Special stationery and personalized briefing books were issued to the government officials, and a dinner was given by Premier Flemming for his colleagues. After the Conference, Premier Flemming compiled a permanent account of its proceedings.

FOLLOW-UP TO THE 1956 ATLANTIC PREMIERS CONFERENCE

As it was agreed at the Atlantic Premiers Conference, Premier Hicks of Nova Scotia met with Prime Minister St. Laurent in Ottawa on September 4, 1956, to discuss transportation matters. As previously mentioned, Premier Hicks was concerned with the seven percent horizontal increase in freight rates scheduled to be implemented in the fall of 1956. He pointed this out, as well as concern over federal tariff policies, to the Prime Minister in a letter dated June 28, 1956.[43] Premier Hicks also informed the Prime Minister that the other three Atlantic Premiers were in "substantial agreement" with his views.[44]

With the greater cooperation of the other Premiers provided at the Atlantic Premiers Conference, Premier Hicks requested a meeting with the Prime Minister to discuss transportation matters. At the September 4 meeting, Premier Hicks impressed upon the Prime Minister the important effect freight rates had on businesses and industries in the region. He urged the Prime Minister to review and revise the Maritime Freight Rates Act so that it would accomplish what it had originally set out to do. Premier Hicks also requested that no further freight rate increases be granted until this review was completed.

Premier Hicks reported to the other Premiers that the Prime Minister "showed sincere and keen interest and concern."[45] The Prime Minister also reported that other federal agencies and officials were studying these problems, and that when these studies were complete, the federal government would reconsider the transportation services in the Atlantic region, including the MFRA. Premier Hicks also reported that the Prime Minister:

> further declared his personal view that the Canadian government was justified in making direct expenditures to improve the economy of a particular area when it was felt that the indirect results of such [an] expenditure would benefit the economy of Canada as a whole.[46]

COOPERATION IN AGRICULTURE

On November 28, 1956, the Ministers and Deputy Ministers of Agriculture of the Atlantic provinces met with the Maritime Federation of Agriculture in Moncton, New Brunswick. They met to prepare a brief to the federal Minister of Agriculture. This was presented to the Minister on December 24, 1956. While little is known about this meeting, it was one in a series of formal and informal meetings of provincial agriculture officials.

Agriculture had always been a busy topic for regional cooperation. In 1948, the Maritime Marshlands Rehabilitation Act (MMRA) was passed by the federal government in response to a call for such action by the Maritime Agriculture Ministers. Mr. Reg Gilbert, former Deputy Minister of Agriculture in New Brunswick from 1957 to 1973, stated that "a peculiar combination of circumstances got this thing going."[47] The old dykes which were containing the rich marshlands had begun breaking down and the costs of renovating them were prohibitive to both the farmers and the provinces. Approximately 40,000 acres of land were involved. The Prairie Farm Rehabilitation Act had already been operating to the advantage of the Western provinces, and the Agriculture Ministers of the Maritimes felt a similar act would be to their advantage.

New Brunswick's Minister of Agriculture, A. C. Taylor, was from Westmorland County where the Tantramar Marshes are. Nova Scotia's Minister, John A. MacDonald, was from the Annapolis Valley, the location of Nova Scotia's marshlands. The two Ministers consulted each other on marshland rehabilitation. W. W. Baird, the Superintendent of the Experimental Farm in Cumberland County, Nova Scotia, was appointed director of the original committee that promoted the idea of the MMRA to the federal government. The two Ministers argued their point with the federal Minister of Agriculture, James G. Gardiner. It was left to J. Arnold Roberts of the New Brunswick Department of Agriculture to act as the liaison between Ottawa and the region.

Also influential in these discussions was Prince Edward Island's Deputy Minister of Agriculture, Walter Shaw (who later became Premier). Mr. Shaw was a former classmate of Mr. Taylor's and enjoyed a good rapport with Mr. Gardiner. Apparently these connections proved to be invaluable to the creation of the MMRA.

Mr. Roberts worked closely with Mr. John Parker, the man who assumed leadership of the MMRA. Mr. Parker was, according to Reg Gilbert, a "good engineer and P.R. man."[48] These men, who formally established the biggest cooperative project in agriculture in the area, had strong personal relationships with one another. The Departments of Agriculture, more so than other departments, cooperated with each other and attempted to coordinate their development efforts as much as possible.

Newfoundland had not been involved in the early development of these relationships. Newfoundland had bogs rather than marshes, precluding any real opportunity to be included in the MMRA. However, it did its best to cooperate with the other provinces in agricultural matters.

APEC ACTIVITIES

In the meantime, APEC was busy at the Joint Economic Conference between APEC and the New England Council (NEC). The Conference was held September 17-18, 1956, in Bar Harbor, Maine.[49] Consultations between the two regions had begun in July of 1948. That year, Premier Angus L. MacDonald of Nova Scotia invited New England Council members and businessmen to meet with Atlantic Canadian businessmen in Digby, Nova Scotia.

It is interesting to note the level of friendly relations between the two groups. As previously mentioned, the President of the New England Council, Mr. Raleigh, had played an important advisory role in the formation of APEC. As well, the NEC had a Canadian-New England Relations Committee that coordinated such activities.

Three of the four Atlantic Premiers attended the opening session of the Conference. Premiers Hicks, Flemming and Matheson exchanged greetings with Maine's Governor, Edmund Muskie. As well, senior government officials attended. Professor Smith spoke on the economy of the Atlantic provinces, and Gordon Pushie and Arthur Johnson of Newfoundland also attended.

The topics of discussion were of mutual concern to both areas--the St. Lawrence Seaway, transportation between the regions, trade and industry, and tourism. Permanent liaison committees were formed during these discussions. The liaison committees presented reports near the conclusion of the Conference. This liaison between the two groups would prove to be even stronger in the future.

On November 30, the first annual meeting of APEC was held at the Admiral Beatty Hotel in Saint John, New Brunswick. The Atlantic Premiers or their delegates were in attendance. It was at this meeting that the Premiers decided to hold any subsequent Atlantic Premiers Conferences in conjunction with APEC Conferences. The most important accomplishment of this meeting was the reorganization plan that was adopted. It provided for the appointment of a Provincial General Chairman in each province to coordinate the work of the four permanent working committees. Each province maintained its provincial Vice-President to serve on the APEC Executive. It is interesting to note that Newfoundland did not have a General Chairman.

Members of the Executive of APEC met with Prime Minister St. Laurent and other members of the federal Cabinet on March 30, 1957. This was the first such meeting between APEC officials and the federal Cabinet. The APEC delegation was led by Mr. R. J. Rankin, President; the Vice-Presidents; R. W. Ganong, former President; H. Watson Jamer, General Chairman for New Brunswick and Nelson Mann. The federal Minister of Public Works, Robert L. Winters, was named the official Cabinet-APEC Liaison Officer. Discussions revolved around development of the Atlantic region. Specifically, they discussed those problems which the region could solve itself, and those problems which required federal participation to solve. At the meeting, APEC outlined its responsiblities in dealing with regional economic problems.

It recommended:

1. The implementation of the recommendations of the Gordon Commission; and
2. Closer liaison between APEC and the federal government.[50]

THE SECOND ATLANTIC PREMIERS CONFERENCE
HALIFAX, NOVA SCOTIA, MAY 8, 1957

On October 30, 1956, Henry Hicks' Liberal government was defeated in Nova Scotia's general election. The new Premier, Robert L. Stanfield, quickly took up the cause for regional cooperation. Immediately after the election, he asked the Secretary of the Continuing Committee of the Atlantic Premiers Conference for copies of the minutes of the July 9, 1956, meeting. Premier Stanfield, as the host of the next Atlantic Premiers Conference, called the Conference for May 8, 1957. It was to be held in conjunction with the Atlantic Apparel and Footwear Exhibit whose co-sponsors were APEC and the Atlantic Division of the Canadian Manufacturers' Association. See Figure 3 for a list of the Conference representatives.

Premier Stanfield, who hosted the Conference, felt two approaches needed to be taken by the Atlantic Premiers in their discussions. These were:

1. A joint approach to the federal government to seek Federal assistance in certain cooperative efforts;
2. A joint approach towards matters of mutual concern to be dealt with by the Atlantic provinces without outside assistance.[51]

Premier Flemming cautioned the Premiers on the use of the Continuing Committee, which he had proposed at the previous Conference. He felt that:

> Much of the purpose of these meetings of these four Atlantic Premiers could be defeated if we set up too elaborate an agency for the work of coordination.[52]

Later, Premier Flemming saw the purpose of the Conference to simply serve as a forum for discussing mutual problems. He felt a small permanent committee should be set up to meet frequently to "arrange for interprovincial conferences at the departmental level" as well as at the Premiers' level. As he

Figure 3
REPRESENTATIVES TO THE ATLANTIC PREMIERS CONFERENCE
HALIFAX, NOVA SCOTIA, MAY 7, 1957

The Government of New Brunswick

Honourable Hugh John Flemming, Premier
Honourable Donald Patterson, Secretary-Treasurer
Honourable Claude Taylor, Minister of Education
Honourable Dr. J. F. McInerney, Minister of Health
Mr. Edgar Fournier, Chairman, New Brunswick Electric Power Commission
Mr. R. S. FitzRandolph, Comptroller General
Professor W. Y. Smith, Economic Advisor to the Government of New Brunswick
Mr. Delbert Gallagher, Assistant to Professor Smith
Dr. F. E. McDermid, Superintendent of Education
Mr. Kenneth Carson, Executive Assistant to the Premier
Professor W. S. MacNutt, University of New Brunswick

The Government of Newfoundland

Honourable Joseph R. Smallwood, Premier (Chairman)
Honourable Dr. Fred Rowe, Minister of Education
Mr. Gordon Pushie, Director General of Economic Development

The Government of Nova Scotia

Honourable Robert L. Stanfield, Premier (Chairman)
Honourable Mr. Donahoe, Minister of Health and Welfare
Honourable Mr. Pyke, Minister of Labour
Honourable Mr. Haliburton, Minister of Agriculture and Marketing
Honourable Mr. Levey, Minister of Lands and Forests: Minister of Municipal Affairs
Honourable Mr. G. I. Smith, Minister of Highways
Mr. Innis MacLeod, Executive Assistant to the Premier
Mr. J. R. Bigelow, Deputy Minister of Trade and Industry
Miss Zilpha Linkletter, Director, Economics Branch, Department of Trade and Industry
Mr. Charles Beazley, Deputy Provincial Secretary
Mr. Henry Muggah, Legislative Counsel

The Government of Prince Edward Island

Honourable Alexander W. Matheson, Premier
Honourable Dougall MacKinnon, Minister of Fisheries and Industry and Resources
Honourable Kier Clark, Minister of Education
Mr. Earl MacDonald, Secretary-Treasurer
Mr. Robert MacLeod, Executive Assistant to the Premier

Atlantic Provinces Economic Council

Mr. O. Nelson Mann, Executive Secretary

Maritime Transportation Commission

Mr. A. Murray MacKay, Chairman
Mr. Howard Mann, Executive Secretary, Manager

stated, "We have enough governmental machinery now without setting up a new regional form of authority."[53]

Premier Matheson did not see a use for a Continuing Committee. He did, however, recognize the need for an Agenda Committee. He felt the purpose of the Conference was to "present a united front on subjects and on matters that are of mutual interest to all the provinces."[54]

The private discussions centred around the agenda topics. The Atlantic Provinces Trade Representation was supported by all four provinces, and the particulars of its funding and administration were delegated to a special Atlantic Provinces Representation Committee. It was agreed to fund the trade representation on a per capita basis, according to the last census. The United Kingdom was intended to be the first foreign nation targeted for trade representation, with the United States and the West Indies as possible future international sites and Central Canada as a future domestic site to be studied by the Committee.

The Capital Projects Commission, recommended by the Gordon Commission, was discussed next. Such a Commission would provide federal capital assistance toward the construction of public projects, specifically transportation facilities in the Atlantic provinces. It would be a federal body whose priorities would be to a large extent determined by the Atlantic provinces. There was considerable discussion on the region's input into such a Commission. It was finally agreed to set up a Capital Projects Committee to impress upon the federal government the Atlantic region's desire for such a Commission and the region's willingness to participate in it. The Premiers also agreed that the Commission should be given $10 million a year for use on such projects as power transmission, the Passamaquoddy and Chignecto Canals, the P.E.I. Causeway and other suggestions. The Committee would study the Gordon Commission's recommendations and recommend to Ottawa projects the Premiers thought necessary.

The next agenda item, the P.E.I. Causeway, derived from the federal Public Works Department's study in the fall of 1956 on possible fill for a causeway. Premier Matheson reported that a federal draft drawing of such a causeway would cost $50 million. The Premier called for the Conference to endorse the need for improved transportation facilities to the Island, and the idea of a causeway in principle. This was agreed upon by the other three Premiers. This last item concluded the morning session.

The Premiers reconvened after lunch to discuss the remaining agenda topics. Premier Stanfield introduced the idea of interprovincial educational institutions, specifically the lack of adequate facilities at the School for the Deaf in Halifax. Premier Stanfield recommended that a new school be built. He suggested that his government would have the responsibility of building and administering such a school, and that the four provinces would contribute to the cost of running the school in the following proportions--Nova Scotia 50 percent, Newfoundland 25 percent, New Brunswick 20 percent and Prince Edward Island 5 percent. Considerable discussion over the School for the Deaf ensued. It was finally agreed to defer the issue for one month until Newfoundland and Prince Edward Island had the opportunity to decide whether or not they would build their own schools for the deaf.

The Land Survey School was also discussed. It was decided to defer a decision on this topic after further consideration. The Schools of Medicine and Dentistry at Dalhousie University were discussed next. Premier Stanfield made two proposals. First, he asked for the maintenance of provincial grants to the schools. His second proposal was to ask the federal government to reserve a portion of the Provincial Health Grants for use by the two schools. These Health Grants were established in 1949. Health Planning Committees were set up at this time to give the federal government recommendations on the level of provincial grants. The Interprovincial Health Planning Committee of the Atlantic Provinces gave the federal government recommendations as to spending priorities in the region. These portions of the Health Grants would be made available for the purchase of equipment in the Medical or Dental Schools. It was agreed to have the four Ministers of Health study the second proposal and recommend future courses of action to the Premiers.

The last item under Interprovincial Educational Institutions was the Maritime School of Social Work. This item was also deferred until further information on enrollment and funding was received.

Coal subventions and power rate subsidies were discussed next. The federal government was willing to pay subventions on the movement of coal from the region to Central Canada. This was to offset the effects of the Trans-Canada natural gas pipeline (moving cheap Western natural gas to Central Canada) and the St. Lawrence Seaway (which would bring cheap American coal into the Central Canadian màrket). Power rate subsidies were needed to reduce the cost of the fuel to generate electricity. It was agreed by all provinces to support subventions on coal used within the region for the purpose of developing electric power. The amounts of these subventions were to be agreed upon later by the four provinces.

The Northern Lands question was also brought up. Premier Matheson called for compensation to the Atlantic provinces for the resources they were not given when the other Canadian provinces had northern lands ceded to them in the early part of the century. It was agreed to set up a study committee (the Northern Lands Committee) to investigate this proposal.

The final item discussed was the future of the Continuing Committee. It was agreed to retain such a committee but only as a committee of four (one representative from each province) to set up the agenda for future conferences. It was renamed the Premiers Committee.

The Premiers also agreed to uphold their decision made at the last APEC Annual Meeting in Saint John on November 30, 1956. It had been decided that the Conference of the Atlantic Premiers be convened at the same time and in the same place as the APEC Conference. As APEC's next meeting was to be in Charlottetown on September 25-27, the Premiers agreed to reconvene there on the 26th and 27th of that month. The last item covered was to name members to each of the committees that had been established. As previously stated, these were the Premiers Committee, the Atlantic Provinces Representation Committee, the Capital Projects Committee, and the Northern Lands Committee.[55]

The press reaction to the Conference was favourable. The press release issued by the Conference was widely used. Professor MacNutt who had attended the Conference wrote a glowing report on the "Atlantic Revolution" in the June issue of the Atlantic Advocate. He wrote:

> Unity is the only hope of achieving better terms within Confederation. The curious logic of union emerged in a remark from Premier Matheson. 'He had once,' he said, 'believed in Maritime Union but not so much now.' Perhaps this implied a belief that the Premiers' Conference can serve as a vehicle that will carry us beyond our stubborn parochialisms, that will bear us over the handicap of political disunion. The results of the Halifax Conference confirm this belief. But the Atlantic Revolution is still in a stage of reconnaissance. To achieve solid results, the Conference must become a permanent institution.[56]

While the Fredericton Conference had no unifying mission beyond taking up the challenge of the federal government, it had not achieved the unity necessary to renew the Canadian Confederation by giving Atlantic Canada a strong and effective place in the running of the nation. The Halifax Conference, however, had made a start on achieving a unity of purpose and mission. As Professor MacNutt stated, the Premiers had begun the reconnaissance (the various study committees) to find ways of attaining a stronger position in Confederation.[57] However, a permanent Conference had still not been established and, therefore, the process by which this objective would be achieved was not yet set in place.

APEC ACTIVITIES

APEC's ability to give input to the discussions of the Premiers had eroded somewhat when Nelson Mann was not included in the membership of the new Premiers' Committee. APEC's influence over the Conference was still evident, however, in its attendance at the Conference and in the Premiers' decision to hold subsequent Conferences in conjunction with APEC's Annual Conference.

APEC's Executive, members of the Canadian Manufacturers' Association (Atlantic Division) and representatives of the four Atlantic provincial governments visited air bases at Goose Bay, Labrador, on May 20, 1957, to promote trade between the Atlantic provinces and the Northeast Arctic.

On August 1, 1957, the Maritime Food Council merged with APEC. The Food Council had been previously unsuccessful in stabilizing food prices and establishing grades of various agricultural products. By deciding to take these responsibilities upon itself, APEC assumed the responsiblility of affecting interprovincial trade by setting up barriers to the dumping of Central Canadian products in the Atlantic region. Rather than becoming a marketing board, APEC did this mostly through "public relations." It carried out discussions between various producer organizations to stabilize prices, establish grades and strengthen the liaison between the various producer and wholesale groups.[58]

ATLANTIC PREMIERS CONFERENCE
CHARLOTTETOWN, PRINCE EDWARD ISLAND, SEPTEMBER 23-24, 1957

As agreed in Halifax, the four Atlantic Premiers resumed their discussions in conjunction with the second Annual APEC Conference. A list of representatives is provided in Figure 4.

Once again, the Premiers met to achieve a common vision for the advancement of the Atlantic provinces.[59] As Premier Stanfield stated in his opening address to the Conference:

> The Atlantic region has not kept pace with the economic and commercial growth of other parts of Canada. We must, in a most realistic manner, examine the factors which have contributed to this situation, and we must, insofar as it lies within our powers, adopt such measures as will revitalize the economic life of the Atlantic region.[60]

The agenda for the Conference provided for reports of three of the committees established at the Halifax Conference, the Capital Projects Committee, the Committee on Northern Lands and the Atlantic Provinces Representation Committee. The agenda was as follows:

1. Opening Statements by Premiers
2. Statements by R. J. Rankin, President of APEC, and A. Murray MacKay, Chairman of MTC

Figure 4
REPRESENTATIVES TO THE ATLANTIC PREMIERS CONFERENCE CHARLOTTETOWN, PRINCE EDWARD ISLAND, SEPTEMBER 23-24, 1957

The Government of New Brunswick

Hon. Hugh John Flemming, Premier
Hon. D. D. Patterson, Provincial Secretary-Treasurer
Hon. J. R. Pichette, Minister of Industry and Development
Hon. C. D. Sherwood, Minister of Agriculture
Hon. N. D. Buchanan, Minister of Lands and Mines
Hon. E. B. Fournier, Chairman, New Brunswick Electric Power Commission
Hon. J. F. MacInerny, Minister of Health and Social Services
Hon. C. D. Taylor, Minister of Education
Dr. F. E. MacDermid, Deputy Minister of Education
Professor W. Y. Smith, Economic Adviser to the New Brunswick Government
D. W. Gallagher, Assistant Economic Adviser
R. S. FitzRandolph, Comptroller General
K. B. Carson, Executive Assistant to the Premier

The Government of Newfoundland

Hon. Joseph R. Smallwood, Premier
Hon. F. W. Rowe, Minister of Education
Arthur Johnson, Assistant Director of Economic Development
Ross Young, Newfoundland Fisheries Development Authority
Gordon F. Pushie, Director General of Economic Development

The Government of Nova Scotia

Hon. Robert L. Stanfield, Premier
Hon. E. A. Manson, Minister of Trade and Industry
Hon. Malcolm S. Leonard, Minister of Education
Innis MacLeod, Executive Assistant to the Premier
John A. Y. MacDonald, Deputy Attorney General
Dr. H. P. Moffatt, Deputy Minister of Education

The Government of Prince Edward Island

Hon. Alexander W. Matheson, Premier (Chairman)
Hon. Eugene Cullen, Minister of Agriculture
Hon. Kier Clark, Minister of Education
Hon. Earle MacDonald, Provincial Secretary Treasurer
Hon. N. Lorne Bonnell, Minister of Health
Hon. Forest W. Phillips, Minister of Welfare and Labour
Hon. E. T. Foley, Minister without Portfolio
Robert G. MacLeod, Executive Assistant to the Premier

Atlantic Provinces Economic Council

R. J. Rankin, President
R. W. Ganong, Vice-President (N.B.)
Dr. Frank MacKinnon, Vice-President (P.E.I.)
Clarence Morrow, Vice-President (N.S.)
Arthur L. Johnson, Vice-President (Nfld.)
H. Watson Jamer, New Brunswick Provincial Chairman
L. Lincoln Dewar, Prince Edward Island Provincial Chairman
R. D. Hurst, Nova Scotia Provincial Chairman

Maritime Transportation Commission

A. Murray MacKay, Chairman

3. Topics for discussion
    - Report of Capital Projects Committee
    - Report of the Committee on Northern Lands
    - Report of the Atlantic Provinces Representation Committee
    - Farm Credit
    - Regional Transportaton
    - Interprovincial Institutions
    - Other matters of mutual concern
4. Press Release

Premier Stanfield recommended that the Atlantic provinces cooperate in the area of scientific and industrial research, similar to the work of the Nova Scotia Research Foundation. This new regional body would be assigned research by the Atlantic Premiers, and would advise government and private industry on the utilization of natural resources. It could also offer technological assistance to the small industries of the region unable to afford such research. No decision was reached on Premier Stanfield's proposal.

Premier Flemming of New Brunswick expressed his concern over the effects on the region of the federal government's tight money policy--interest rates were high, as was the rate of inflation. He called for a Royal Commission to study the financial and monetary structure of the Canadian economy. Again, no decision was reached on this proposal.

In its report to the Premiers, the Maritime Transportation Commission outlined its opposition to the application by the telegraph companies to the Board of Transport Commissioners for introducing a charge for telegrams based on direct air-line mileages instead of the geographic zone system already in place. This new system would have meant huge increases in the rates charged to Atlantic users. The MTC was successful in having the Atlantic region protected from this new rate schedule.

The MTC also cautioned the Premiers about those who, through "indiscriminate tampering with (the Maritime Freight Rates Act), even though done with the best of intentions, might result in more loss than gain."[61]

The Chairman of the Commission felt the MTC was conversant with the Act and that it was doing its best to preserve the intentions of the Act.

One paper brought before the Premiers was the study prepared by the Government of Prince Edward Island (authored by Bruce W. Hodgins) titled "Maritime Claims Relative to the Prairie Provinces' 'Land' Subsidy and the Northern Land Question."

Mr. Hodgins claimed that:

> I am convinced that the three Maritime provinces have a real claim on the Federal government in regard to the subsidy once called 'a subsidy in lieu of land' and still paid to the Prairie Provinces.[62]

His study was composed of an historical analysis of all grants and subsidies paid to the provinces. His conclusions were that the Prairie provinces had been given subsidies after the transfer of their resources to the federal government. Because these subsidies were equal to similar ones also paid in lieu of public lands, Mr. Hodgins called them "an out-and-out gift."[63] He also claimed that the Atlantic provinces were entitled to the same. He felt the following payments should be made to the Atlantic provinces to compensate them for this inequity:

New Brunswick	$1,321,875
Newfoundland	525,000
Nova Scotia	1,321,875
Prince Edward Island	440,625

Mr. Hodgins concluded that, because of the region's "territorial limitations" (they had no room to expand their boundaries) and to restore the inequity of granting some provinces Northern lands, the Maritime provinces have a further claim for compensation from the federal government.[64]

Twelve resolutions were made as a result of the discussions among the four Atlantic Premiers.[65] They were:

1. The federal government should pay special adjustment grants to low-income provinces whose tax capacity is below the national average.

2. The Capital Projects Committee could not make its final report until the Gordon Commission had fully completed its findings. Therefore, the Committee was asked to conduct a detailed survey of major public works that would help the region's economy. The Committee was also asked to estimate the funds required to finance key projects over a ten-year period so that the federal government could provide annual capital grants for this purpose.

3. Because $350,000,000 worth of Canadian exports and imports were not routed through Canadian ports in 1955, the Atlantic provinces urged the federal government to help the region study ways to attract this traffic through Atlantic Canada's ports.

4. The federal government should establish a program to provide Atlantic Canada's farmers with adequate farm credit as part of a sound farm policy. The four provincial governments were willing to assist any federal agency in determining how such a program would assist the region.

5. Action on the appeal for compensation for Northern lands would be deferred until more discussions at a later Conference.

6. An interprovincial committee was set up to consider a uniform motor carrier Bill of Lading for the Atlantic provinces.

7. An interprovincial committee was set up to consider regional implications of the National Hospital Insurance scheme.

8. The Premiers supported the application of Newfoundland to the federal government for the imposition of a custom's tariff on fluorspar, one of the province's most important minerals.

9. The Premiers reaffirmed their endorsement of federal subventions on coal used in the region to generate electric power.

10. The Premiers reaffirmed their endorsement of the principle behind the need for a Prince Edward Island Causeway.

11. The Premiers Committee would act as a coordinating body for further study on the matter of interprovincial educational institutions.

12. A Canadian Atlantic Provinces Bureau in London, England, would be immediately set up to provide regional representation in the U.K. The Bureau's functions would be:

    (a) to provide publicity and improve public relations relative to the Atlantic region;
    (b) to promote industrial development in the Atlantic region;
    (c) to act as a Tourist Promotion Agency; and
    (d) to furnish information on the Atlantic region.

A committee was established under this last resolution to receive applications from Canadians for the position of Agent General, and to arrange suitable premises for the Bureau. The committee was composed of: Honourable Roger Pichette (N.B.), Chairman; Honourable Edward Manson (N.S.); Arthur Johnson (Nfld.); and W. W. Reid (P.E.I.).

THE ATLANTIC PROVINCES ADJUSTMENT GRANTS

The first resolution, outlined previously, at the Charlottetown Conference was extremely important in view of the upcoming Federal-Provincial Conference on Fiscal Relations and Tax Sharing Arrangements.

This Conference took place in Ottawa on November 25-26, 1957. The four Atlantic Premiers took two bargaining "weapons" to this Conference. First, they had ensured they would speak with a common voice in pressing the federal government to adopt special adjustment grants by unanimously adopting the idea at the Charlottetown Conference. The second "weapon" was the result of the federal election of June 21, 1957, in which John Diefenbaker's Conservative Party defeated Louis St. Laurent's Liberals.

This was an important bargaining weapon for two reasons. First, Prime Minister Diefenbaker was a populist, a "grass roots" politician, and had openly accepted the notion of Canadian regional development. He also rejected the stance of the previous Liberal administration of "non-intervention" in the Canadian economy.

The second reason for the importance of the 1957 election results was that Premier Flemming was on excellent terms with Prime Minister Diefenbaker. Premier Flemming was more sympathetic to the concerns of the western provinces than with the concerns of Central Canada and, therefore, he favoured Prime Minister Diefenbaker's populism over the Central Canadian big-business orientation.[66]

Due to these two factors, Prime Minister Diefenbaker reversed Prime Minister St. Laurent's previous rejection of special adjustment grants. He accepted them in principle, so long as the Atlantic provinces worked out the provincial percentage allotments. However, the Atlantic Premiers had not yet settled on such a formula.

Because of the disagreement over the grants' formula, the federal Minister of Finance instructed his Deputy Minister, Mr. Kenneth W. Taylor, and the Director of the Federal-Provincial Relations Division of the Department of Finance to meet with representatives of the four Atlantic provinces to reach an agreement on a formula.

This meeting was held on December 17 and 18, 1957, at the Hotel Nova Scotian in Halifax. The provinces were represented as follows:

New Brunswick:	R. S. FitzRandolph, Comptroller General Professor W. Y. Smith, Economic Adviser to the Government of New Brunswick
Newfoundland:	W. M. Marshall G. K. Goundry
Nova Scotia:	H. E. Potter Innis G. MacLeod, Executive Assistant to the Premier John A. Y. MacDonald, Deputy Attorney General L. E. Peverill
Prince Edward Island:	W. E. Massey Robert G. MacLeod, Executive Assistant to the Premier

The discussion resulted in a formula which used the deficiency from 85 percent of the national income average applied to the 15-69 age group and a provincial revenue ratio of 8.81 percent.[67] The various provinces debated the exact percentage each province would receive. Mr. Taylor proved to be a consummate negotiator. A tentative agreement between the parties arrived at the following distribution:

New Brunswick	30%
Newfoundland	30%
Nova Scotia	30%
Prince Edward Island	10%

The adjustment grants would run for four years and the total fixed amount granted annually to the provinces over the four years was $25 million. These grants were increased to $35 million annual (distributed by the same ratios) in 1962. They were discontinued under the revisions to equalization payments in the 1967 Federal-Provincial Fiscal Arrangements Act.

APEC ACTIVITIES

The Atlantic Food Show and Convention was held on April 28-29, 1958, in Moncton, New Brunswick. Sponsored by APEC, 64 producers of food and beverages in the region displayed their products for buyers from Central Canada and the New England States. Public attendance was estimated at 8,000.

ATLANTIC PROVINCES HOUSE

The Committee appointed at the Charlottetown Atlantic Premiers Conference was quick to choose an Agent General for the London trade bureau. It was a surprisingly easy task. H. Watson Jamer, the APEC General Chairman for New Brunswick, was chosen for the job in March of 1958.

Mr. Jamer was a District Manager of the Ford Motor Company of Canada. He had played important roles in the formation of APEC and in the work of the Continuing Committee of the Atlantic Premiers Conference. Mr. Jamer was a likable man and had a "regional" job in the private sector, which made him the perfect candidate for promoting Atlantic Canada's products and attracting industry to the region.

The Agent General's position was established by an Act of Elizabeth II, 1958, Chapter 3 of the Statutes of New Bunswick, An Act to Provide Offices for the Agent General of the Canadian Atlantic Provinces. Prince Edward Island passed a similar Act in 1959. Nova Scotia, however, did not make legislative arrangements, but did report an expenditure for Atlantic Provinces House in the 1959 Budget Estimates.[68] The Agent General was responsible to the four governments through the New Brunswick Department of Industry and Development, the Newfoundland Department of Economic Development, the Nova Scotia Department of Trade and Industry, and the Prince Edward Island Department of

Welfare and Labour. The $50,000 shared cost among three of the governments made the trade promotion venture the biggest cooperative effort to that date in the region.

The four Atlantic Premiers attended the opening of the Atlantic Provinces House on May 28, 1958. It was located at 60 Trafalgar Squàre, across from Canada House. The Premiers, their aides and APEC's President, Dr. Frank MacKinnon, were the offical party guests of Lord Beaverbrook. Also attending the opening was Brigadier Michael Wardell, publisher of the Fredericton Daily Gleaner and the Atlantic Advocate.

The Premiers also held informal "chats" at Lord Beaverbrook's country home. Premier Stanfield of Nova Scotia told the press that these talks would replace the formal meeting of the Atlantic Premiers Conference that was to be held in St. John's in September of 1958.[69] Later, the Premiers spent five days in Brussels, Belgium, attending the Universal and International Exhibition (the World Fair).

The history of Atlantic Provinces House was a difficult one. As outlined in the submission to the Maritime Union Study, there were three major problems in its operations:

1. All contacts with the London Office from within Atlantic Canada were "screened" by the provincial departments, meaning Mr. Jamer had only indirect contact with the region's exporters.
2. Some government officials saw the London Office as serving the government first and private industry second. Therefore, confusion arose as to the role the London Office was to play in export promotion.
3. The Office served "four masters" and difficulties arose when each government began to pursue different sets of policy goals. For example, New Brunswick established the New Brunswick Development Corporation on April 11, 1959; Nova Scotia established Industrial Estates Limited in 1958; and Prince Edward Island established Industrial Enterprises Incorporated in 1965. These development agencies each focussed on the expansion and creation of industries in the province, and on encouraging new industries to locate in their respective provinces. These goals were in competition with the other provincial agencies and therefore in competition with the goals of Atlantic Provinces House.[70]

As a result, Atlantic Provinces House brought few new industries into the region. Early in 1968, while Atlantic Provinces House was still in operation, New Brunswick appointed its own Trade Representative, John A. Patterson, the Deputy Minister of Industry in Premier Robichaud's administration. When Mr. Jamer retired on October 31, 1968, due to ill health, and with the end of the 1968-69 Fiscal Year, all provincial appropriations stopped. After this period, Nova Scotia also appointed a Trade Representative, and the two trade missions shared the office that had once been Atlantic Provinces House.

New Brunswick's trade representation, called the New Brunswick Development Office, was recognized by the British Government's Foreign and Commonwealth Offices as an official Canadian Provincial Government Office with diplomatic status. In comparison, Mr. Jamer only had a "quasi-ambassadorial function." New Brunswick's office had an Agent General, Mr. Patterson, a trade and industrial counsellor and a secretary.[71] It was abolished in 1975.

It appears that it was Mr. Jamer's skill and personality that kept Atlantic Provinces House open. In a statement to the press in October 1968, Premier Smallwood of Newfoundland stated:

> Now that Mr. H. Watson Jamer has retired, Newfoundland might not be very interested in replacing him. We have been unenthusiastic about it for several years.[72]

APEC ACTIVITIES

APEC sponsored a series of dinner meetings in Toronto and Montreal in March 1958. Titled "Atlantic Enterprise," these dinners attracted 200 senior executives from leading Canadian industries. Premier Stanfield, on behalf of the Atlantic provinces, acted as keynote speaker.

The Second Joint Economic Conference of the New England Council and APEC was held in Saint John, New Brunswick, on August 3-5, 1958. Its theme was "Cooperation between the two regions: an analysis of common problems and opportunities for joint endeavour."[73]

Definite steps were taken at this Conference to promote inter-regional trade and capital investment. Some suggestions arising from the Conference were:

1. The Atlantic provinces establish Regional Development Corporations similar to those operating in New England to supply equity capital.
2. A cooperative form of fish marketing within the two regions be studied. Already, the exchange of price information between dealers in the two regions had been established.
3. The Atlantic provinces establish a cooperative program between business and educational institutions (similar to the New England Colleges Fund), separate from government, to provide loans to universities and colleges.

The three Maritime Premiers attended the Conference.

THE ATLANTIC PREMIERS CONFERENCE
ST. JOHN'S, NEWFOUNDLAND, SEPTEMBER 22-23, 1958

The Atlantic Premiers Conference was held in Newfoundland's House of Assembly, and in conjunction with the Third Annual APEC Conference.

Premier Stanfield's comments at the opening of Atlantic Provinces House that the St. John's Conference was to be cancelled were premature. The St. John's Conference was to result in many important decisions to promote regional cooperative efforts.

Many important events had occurred since the Charlottetown Conference. These were:

1. The Atlantic provinces had already received the first adjustment grant from the federal government.
2. The Atlantic provinces had reached agreement with the Federal government on the matter of federal assistance in the construction of thermal generating plants, inter-connecting transmission lines between New Brunswick and Nova Scotia, and on the matter of subventions on coal used in these generating plants.
3. The federal government took up the "Roads to Resources" program; this grew out of the capital projects proposal of the Gordon Commission, and resulted in a 50-50 cost-sharing program to develop basic infrastructure (roads) so that further industrial development would follow.

4. The Atlantic Provinces House in London had opened.
5. Nova Scotia had enacted a Motor Carrier Act which authorized the Public Utilities Board (upon Cabinet approval) to prescribe a uniform bill of lading. This was conditional, however, on the other provinces agreeing on the bill's form and content.
6. The final report of the Royal Commission on Canada's Economic Prospects (the Gordon Commission) was released.

The first five of these events had been aided by cooperative effort, and the final event would have implications on the course of interprovincial and federal-provincial relations. It was under these circumstances that the Premiers met. As Premier Flemming stated, "The time is certainly ripe for we in the Atlantic Provinces to take counsel together and to chart the future course of economic growth in our four provinces.[74]

Premier Flemming called for the creation of a regional Committee on Economic Development consisting of representatives of the four governments. It would undertake an extensive study of the economy of the region, including the impact of Federal fiscal and monetary policies on the region, the effects of the St. Lawrence Seaway on the region's economy, freight rates, and the promotion of secondary industry in the region. His proposed committee would play a purely advisory function, and would serve mainly in an information-gathering role. The committee would act in cooperation with the Capital Projects Committee to expand federal assistance in the private sector, as well as in projects in the public sector.

Premier Stanfield made a similar but much smaller-scale proposal. He proposed the initiation of a study on the possible effects on the region's economy by the completion of the St. Lawrence Seaway. This idea was supported by Premier Matheson. Premier Matheson also commented on the lack of an air service connecting the Island with Trans-Canada Airlines in the other provinces He added that the service provided by Maritime Central Airways was excellent This would prove to be an important source of controversy in.the mid-1960s with the purchase of Maritime Central Airway by Eastern Provincial Airlines. (This will be discussed later in this report.) Premier Matheson also commented that Newfoundland deserved a higher proportion of the adjustment grants and Prince Edward Island less. As stated by Robert MacLeod, former Executive Assistant to Premier Matheson, the Premiers rejected partisan politics in the Conference and were extremely generous to one another.[75]

In private sessions, the Premiers discussed federal farm credit policies, offshore mineral rights (relating to the Northern Lands question), Newfoundland's fluorspar tariff, and capital projects.

The most important outcome of the St. John's Conference was the agreement to establish a research board. It would commission research on topics assigned to it by the Premiers, and would coordinate the research undertaken by other research agencies, such as APEC and the MTC. It was modelled on Premier Flemming's proposed Committee on Economic Development. Members of this proposed board were Gordon Pushie of Newfoundland and Professor W. Y. Smith of New Brunswick. The other provincial respresentatives were to be announced later.

A press release following the Conference outlined the areas of study by the Board, as well as other resolutions made at the Conference. The release stated:

> It was agreed that among the matters requiring particular study were:
>
> (1) the methods by which monetary policy in Canada might be made more flexible so as to meet the particular needs of the region;
>
> (2) the transportation policies required to give industry in the Atlantic provinces greater access to the principal markets of Canada. This phase of the study to be carried on in cooperation with the Maritimes Transportation Commission.
>
> The Premiers of the four Atlantic provinces viewed with apprehension the request by the railways for an immediate 19 percent horizontal increase in freight rates to be followed by an unspecified increase at a later date.
>
> The method of increasing freight rates horizontally has an extremely detrimental effect on the economy of the Atlantic provinces and accentuates regional economic imbalance in Canada. The Premiers opposed this latest

disregard by the railways of all previous opposition to and condemnation of horizontal increases.

The Premiers believed that freight rate increases should be so applied as to pay due regard to the ability of regions and commodities to bear such rate advances.

The Premiers considered the impact which the completion of the St. Lawrence Seaway may have on the economy of the Atlantic provinces and decided to undertake a study to be divided into two parts:

(1) a pilot survey to be made by a competent economist to be completed with all speed;

(2) a continuing assessment to be made for a period of five years following the completion of the pilot study.

The Premiers authorized the Maritime Transportation Commission to act as their agency in making the necessary arrangements for the pilot study.

The Continuing Committee of the Conference was instructed to forward this resolution to the Prime Minister of Canada, the Federal Ministers of Agriculture and Finance, and the Ministers representing the Atlantic region.

The Conference received the report of the Capital Projects Committee which was set up to examine the implications of the recommendations of the Gordon Commission. The Committee was continued in being and given power to add such additional members as might be deemed necessary.

The Premiers discussed in some detail the function and operation in the region of the Industrial Development Bank.

The Conference again considered the utilization of Canadian ports and resolved to urge the federal government to join with the Atlantic Provinces to study without delay possible incentives to channel the maximum volume of export and import traffic through Canadian ports.

The Conference received an encouraging report from the committee supervising the Atlantic Provinces Office in London. Contacts were being made and a great degree of interest was being evidenced by various commercial interests in the United Kingdom.

The Premiers discussed a report on developments in the

> field of farm credit since their last meeting and reaffirmed a resolution passed at Charlottetown in September 1957 calling for the establishment by the Government of Canada of a regional farm loan board, which would provide administration suitable to the needs of the Atlantic area, for a realistic appraisal of farms, for loans at reasonable interest rates and professional follow-up and advisory services.[76]

This Conference also proved to be important for APEC. It provided an opportunity for the "mainlanders" to drum up the support of Newfoundland businessmen. APEC was able to build support in Newfoundland's private sector. When this was coupled with the enthusiastic support of Premier Smallwood, APEC's position in Newfoundland was brought to the same level as the other provinces.

RESEARCH INTO THE ECONOMY OF THE ATLANTIC REGION

On October 17-18, 1958, APEC sponsored a seminar at Dalhousie University in Halifax "to assess and determine the needs and opportunities for economic and socio-economic research in Canada's Atlantic provinces." Forty economists, sociologists, political scientists and businessmen from Atlantic and Central Canada attended.

On December 11, 1958, the first meeting of the Atlantic Provinces Research Board was held. This was the direct result of the decision made at the St. John's Conference. Arthur Johnson, Deputy Minister of Economic Development for Newfoundland and an APEC Vice-President, was named Chairman, and Arthur C. Parks, APEC's Director of Research, was named Secretary-Treasurer. The APRB had three functions. These were:

1. To channel money into the economic research efforts going on in the region relating to the Atlantic provinces;
2. To coordinate the research effort; and
3. To initiate research projects which should be carried out and were not being carried out elsewhere.[77]

These three functions required the approval of the provincial governments.

At the December 11, 1958, meeting, the proposed research program was drawn up. Five initial projects were planned. These were:

1. A study of the effects of monetary policy on regional development.
2. A study of the effects of the St. Lawrence Seaway on the economy of the Atlantic provinces (to be conducted by the MTC).
3. A study of the secondary manufacturing and the food and fish processing industries (APEC).
4. A study of the availability of capital (APEC).
5. A study of the problem of seasonal unemployment.

On February 16, 1959, a joint statement by the Atlantic Premiers announced the formation of the APRB and that its offices would be located in Fredericton.

Dr. MacKinnon, President of APEC, had approached Dr. Delbert Clark of the Social Sciences Research Council (SSRC) concerning the recommendation of the October seminar for long-term studies into the economic and socio-economic research in the Atlantic region. In the early spring of 1959, Dr. William C. Hood of the Social Sciences Research Council visited the region to discuss this proposal. In an April meeting with the APRB, the Social Sciences Research Council agreed to sponsor such studies. Substantial funding for the project was received from the Canada Council, and the APRB agreed to contribute $5,000 annually for three years.[78] This project became known as the Atlantic Provinces Studies, under the general editorship of Dr. John F. Graham, Professor of Economics at Dalhousie University.

APEC ACTIVITIES

In January 1959, the Atlantic Products Promotion and Identification Program (PIP) was launched by APEC. Participating producers of food products began an intensive publicity campaign to promote the consumption in the Atlantic region of "Atlantic Provinces Quality Products."

Trade promotion was also on the APEC agenda. Between April 13 and 17, 1959, an APEC-sponsored Trade Exhibit was undertaken at Goose Bay, Frobisher Bay, and the Ernest Harmon United States Air Force Base in Stephenville, Newfoundland.

The most ambitious promotional activity was the Atlantic Provinces Industrial Exposition in Saint John, New Brunswick. More than 50,000 people were expected to attend the four-day exhibition at the Pugsley Terminal from May 27 to May 30. Due to the magnitude of the exhibit, Atlantic Cabinet Ministers, Premiers and APEC officials were invited to attend. The exhibition was to promote regionally-produced products within the area and throughout Canada.[79]

THE ATLANTIC PREMIERS CONFERENCE
FREDERICTON, NEW BRUNSWICK, SEPTEMBER 15, 1959

The Fifth Atlantic Premiers Conference was held in conjunction with the Fourth Annual APEC Atlantic Conference. The 1959 Atlantic Premiers Conference had a new participant. On September 1, 1959, in the Prince Edward Island election, Walter R. Shaw defeated the Liberal government of Alexander W. Matheson. Mr. Shaw attended the 1959 Conference as Premier-elect.

It is interesting to note the priorities of Premier Shaw. His election slogan was "The Party of the Causeway" and he campaigned on the notion that as a Conservative, he could build the Northumberland Causeway with the cooperation of the Conservative government in Ottawa. Premier Shaw was an avid supporter of the "Roads to Resources" idea, and promoted infrastructure development with his fellow Premiers.

It was reported by the Atlantic Provinces Research Board that three meetings of the Board had been held that year. These were in Fredericton on April 10, 1959, Saint John on May 26, 1959, and Moncton on July 15, 1959. Their report outlined the various research studies being undertaken, and those responsible for carrying them out. It was also reported that Arthur C. Parks would attend the Dominion-Provincial Conference on Economic Statistics in Ottawa on October 5-7, 1959. The APRB's budget request for the Fiscal Year September 1959-August 1960 was for $29,000 in provincial appropriations. This was to be financed on a per capita basis.[80]

The MTC presented an interim report on the St. Lawrence Seaway. It had commissioned Economic Research Corporation Ltd. of Montreal to complete this study. Their interim report did not make any conclusions, and announced it expected a complete report by year's end.

The report of the Atlantic Provinces Representation Committee showed excellent progress in the London Office under Agent General Watson Jamer. During the first 15 months of operations, the London Office had received 6,000 enquiries and 600 visitors. The report stated that "the office has become known and is being used both by people on the other side and by persons from the region" and that:

> compared with the experience of offices opened by the other provinces, the Atlantic Provinces Office has become established to the degree it has in far less time than had originally been expected.[81]

The Committee attributed this to the encouragement of Lord Beaverbrook and the Premiers at its opening, and the high profile attained at the event. Mr. Jamer was also noted in the report as having made recommendations of his own on the development of trade relations outside the region. The Representation Committee was also investigating the feasibility of opening an Atlantic Provinces House in Toronto.

APEC's report proposed an APEC-sponsored program to sell Atlantic Canada's products in the United Kingdom in cooperation with the Representation Committee and the Agent General. APEC also recommended the creation of a uniform government electrical inspection authority, rather than leaving this task up to each province's own electrial utility. Other recommendations included the standardization of tourism statistics and the publication of an industrial brochure to promote the Atlantic region.[82]

The discussion on submarine mineral rights was prompted by the submission "Report on the Rights of the Provinces of Nova Scotia, New Brunswick and Prince Edward Island to the Ownership of Adjacent Submarine Resources" prepared by Professor Gerard LaForest of the Faculty of Law at the University of New Brunswick. Professor LaForest's conclusions were that the Atlantic provinces owned the territorial waters and subsoil for a distance of three nautical miles off their coasts and that New Brunswick and Nova Scotia each owned up to the centre line of the Bay of Fundy. He provided legal arguments for the provinces' ownership of the Northumberland Strait and the Continental Shelf within 200 miles of Newfoundland. He also contended that compensation for the Northern Lands should be given to the Atlantic provinces in the form of clear ownership of the offshore resources.[83]

The discussion of the Premiers centered around their own proposals. Premier Flemming proposed the creation of a series of federal tax incentives to promote the development of manufacturing industries in the region. He recommended that these incentives take the form of an investment allowance of up to 50 percent of the capital cost of buildings and equipment as well as accelerated depreciation allowances. They would only be offered to industries in the Atlantic provinces over a ten-year period. Premier Flemming also called for accelerated development of processing industries and expansion of secondary manufacturing industries.

Premier Stanfield spoke on the need for a flexible credit system. He also was concerned about the utilization of Canadian ports, and called for a program of attracting more of Canada's import and export traffic to Atlantic Canada's ports. He felt that such a program could compensate these ports for any drop in traffic resulting from the opening of the St. Lawrence Seaway. Premier Stanfield also spoke of the need to clarify the ownership of offshore minerals.

Premier Shaw called for a program developed by the four provinces for the development of the region's natural resources, particularly potatoes. He felt there was a need to improve the marketing of these products, especially foreign markets. Premier Shaw also supported the building of the Northumberland Strait Causeway.

The Capital Projects Committee was directed to survey, assess and consolidate a plan to finance projects necessary to develop the region's transportation sector. Some of these projects included the construction of the Northumberland Strait Causeway, canals and further harbour development.

The Conference's press release noted that the Premiers had agreed to do two things. These were:

1. To commission a study on Canadian monetary policy, to be undertaken by "a top-ranking authority in the banking and monetary field".[84]

2. To commission the Capital Projects Committee to prepare a presentation to the next Federal-Provincial Conference of Finance Ministers.

EASTERN CANADIAN UNION

An interesting proposal to solve the problems of the Atlantic region was put forward by Brigadier Michael Wardell, editor and publisher of the Atlantic Advocate. In an address to the Canadian Club at Montreal on October 19, 1959, he proposed economic, if not full political, union of Quebec and the Atlantic provinces.[85] He justified union on the following grounds:

1. Montreal held the Atlantic region in a "commercial thraldom" which made it logical for Montrealers to raise the purchasing power of Atlantic consumers.

2. Quebec was experiencing similar economic problems as the Atlantic provinces.

3. Montreal shipped over one million tons of products per year to the Atlantic provinces. Therefore, by "fattening up" Atlantic consumers, it would increase Quebec's exports.

4. The Acadian community would gain strength and influence in the "new partnership" by joining the French-speaking people in Quebec.

Some of the benefits of such a union were also pointed out by Brigadier Wardell. These included increased transportation services which would counteract the weakening of the Maritime Freight Rates Act. Measures to increase transportation services included:

1. The building of the Chignecto Canal: This would link the coastal service from New England to the St. Lawrence Seaway. Brigadier Wardell estimated that such a canal would cost $100 million with economic benefits accruing to New Brunwick and the other Maritime provinces.

2. The construction of a corridor road through Maine: This would bring Saint John 140 miles closer to Montreal. Brigadier Wardell quoted Dr. R. D. Howland's submission to the Gordon Commission that the corridor road would cost $50 million with benefits accruing to both Quebec and the Maritime Provinces.

3. Better cooperation with the United States: In order to gain approval of Maine for the construction of the corridor road, Brigadier Wardell proposed that Canada approve the construction of a road linking Alaska with the rest of the United States. As well, Brigadier Wardell called for a trade-off so that the United States could develop hydroelectricity on the Columbia River and Canada could do the same on the Saint John River.

While Brigadier Wardell's proposal was not considered by the federal or provincial governments, his recommendations regarding the construction of the Chignecto Canal and the corridor road did receive considerable attention over the next ten years. These items will be discussed later in this report.

THE INTERPROVINCIAL POWER GRID

The formal agreement between the New Brunswick Electric Power Commission (NBEPC), Nova Scotia Power Commission (NSPC), and the Nova Scotia Light and Power Company Limited (NSLP) to establish interconnection of transmission lines was signed on November 18, 1959, at Province House in Halifax.[86]

An agreement of intent to form a "power pool" had been reached prior to this in June of 1958. The three utilities agreed to establish a 138,000-volt transmission line. NBEPC was to build a line to the Nova Scotia border, NSPC was to build a line from Maccan to Truro, and NSLP was to build a line from Truro to Halifax. The completion date was expected to be October 1959.

By the time the formal agreement was signed, part of the interprovincial grid was already in place. As it was stated in a case study on the power grid:

> That so much work should be carried out without the signing of documents more legally binding than letters of intent is evidence of the confidence which the power leaders had in each other, and the faith they had in the economic benefits of the grid system.[87]

APEC's participation in this cooperative effort was substantial. In 1955, after the Power Committee was established, it became committed to interconnection.

Upon the signing of the agreement to proceed with interconnection, two committees were set up. The first was the Administrative Committee, consisting of the General Managers of the three utilities: Mr. M. G. Taylor of the NSPC, Mr. R. E. Tweeddale of the NBEPC and Mr. A. R. Harrington of the NSLP. Nelson Mann was the Secretary of the Committee. This Committee interpreted the provisions of the agreement, made alterations to it and ensured the carrying out of all the agreement's provisions. It was also required to make load forecasts to ensure that future additions would be equally shared among the participants.

The Operating Committee was composed of a member appointed from each of the utilities. It had the authority to establish the operating and maintenance schedules, the control and operating procedures and the principles of interchange accounting.

As agreed in 1958, the federal government was to assist in the financing of the construction of interconnecting power lines between New Brunswick and Nova Scotia. This was provided for by the Atlantic Provinces Power Development Act (Statutes of Canada 1957-58, ch. 25). The Act provided assistance to provincially-owned utilities (NSLP was therefore ineligible) in the form of long-term repayable loans for the construction of interconnecting lines and thermal generating stations. The Act was administered by the Northern Canada Power Commission which was an agency of the Department of Northern Affairs and Natural Resources.

It was up to the APEC Power Committee to coordinate all these activities. This was recognized by the fact that the Chairman of the Power Committee, Mr. Ernie Richardson, President of the Maritime Telegraph and Telephone Company Limited, pushed the button that started the power interconnection at the opening ceremonies.

These ceremonies were held on September 22, 1960, at Onslow, Nova Scotia. Premiers Stanfield and Robichaud attended the ceremony, but Premiers Shaw and Smallwood were unable to attend. Alvin Hamilton, Minister of Northern Affairs and National Resources, was also unable to attend.[88]

The Power Grid was an enormous success. It was an "excellent form of cooperation" according to Premier Stanfield, as it had achieved the economy of scale the region had been trying to achieve in its other regional efforts.[89]

It should be noted that prior to interconnection with Nova Scotia, New Brunswick had joined a power grid with six Northern Maine power companies. Therefore, when interconnection proceeded, these Northern Maine utilities also became part of the interprovincial power grid. It was expanded in 1968 with the building of a new line by the Maine Public Service Commission, with the help of the NBEPC.

The power grid was further expanded over the years. In 1965, a second transmission line was built. In 1964, the Atlantic Development Board allocated $5 million to the construction of a cable to Prince Edward Island. When this was scrapped with the announcement that the Federal government intended to construct a causeway, interconnection was guaranteed again. Finally in 1969, when the causeway itself was scrapped, interconnection was guaranteed under the Prince Edward Island Comprehensive Development Agreement.

APEC EXPORT TRADE ACTIVITIES

On January 5, 1960, the Management Committee of APEC met with the Deputy Ministers of Industry of the Atlantic provinces and officials of the Canadian Manufacturers' Association (Atlantic Division). APEC suggested that an Export Planning Committee be established to study and promote the sale of products outside the region. It also proposed that this Committee be made up of businessmen within the region, with the Deputy Ministers (or their delegates) as associate members.

The intial meeting of the APEC-sponsored Trade Committee was in Halifax on July 25, 1960. More than 30 people attended this meeting. It was chaired by Mr. J. H. Haylock, Managing Director of Atlantic Traders Limited. Mr. H. Leslie Brown, Assistant Deputy Minister of the federal Department of Trade and Commerce, was guest speaker. He offered the full support of his office to the Committee through participation in seminars discussing export possibilities, reviewing catalogues of products of regional manufacturers, and providing information on the availability and feasibility of entering specific export markets. As well, he offered the services of the more than 50 Commodity Officers in his Department.

It was decided at the meeting that APEC economist Stephen N. Branch, J. Ward Stewart of the Canadian Manufacturers' Association (Atlantic Division) and the four Deputy Ministers of Industry (or their delegates) would form a subcommittee. They were directed to:

1. Determine which products produced in the Atlantic provinces had export potential;
2. Determine possible markets for these exports; and
3. Compile a list of producers of these products.

The sub-committee was to report its findings to the Export Committee. Action would be taken from there. It is not known what the results were of sub-committees findings, nor of any subsequent action taken.

PREMIERS MEETING APRIL 2-5, 1960, LONDON ENGLAND

While this was not a formal Atlantic Premiers Conference, Premiers Flemming, Smallwood, Stanfield and Shaw met in London as part of the celebrations surrounding the inauguration of Trans-Canada Airlines' new Halifax-to-London flight.

The Executive Assistants to the Premiers prepared the agenda for the meeting which took place at the Atlantic Provinces House. The meeting was a follow-up to the recommendation of the Atlantic Provinces Representation Committee that the Premiers should continue to provide a high profile to the London Office.

The Premiers discussed the operations of the London Office with the Agent General, Mr. Watson Jamer, as well as his recommendations to improve trade relations abroad.

THE INTERPROVINCIAL SCHOOL FOR THE EDUCATION OF THE DEAF

Another indication that the Premiers were acting upon their discussions on cooperative efforts occurred on April 13, 1960, when an agreement was signed between the Provinces of Nova Scotia and New Brunswick to establish a school for the deaf. The agreement was the result of the discussions at the May 8, 1957, Atlantic Premiers Conference. The new school in Amherst was established after the Halifax School for the Deaf became over-crowded and unsuitable to the needs of the students.[90]

The agreement provided for a contribution of 30 percent of the capital cost of the building and equipment from the province of New Brunswick. Nova Scotia would pay the rest of the total cost of the school which was $2.5 million. Both provinces were obliged to pay one-half of the tuition of their students, the other half being paid by the student's municipality.

The cooperation achieved through the establishment of the school was significant. Mr. H. M. Nason, Chairman of the Board of Directors, stated in the Directors' Report of 1961-62 that:

> Leading up to the change-over from Halifax to the new school, the directors as representing the two provincial governments have had a great deal of legislation to prepare. Thanks to the fine cooperation on the part of the two provinces, all such work has been accomplished with the highest degree of satisfaction.[91]

Mr. Nason was the Nova Scotia government's representative on the Board; he was also Deputy Minister of the Department of Education. The New Brunswick government's representative was Brigadier J. E. Anderson, Deputy Minister of Youth and Welfare. Other members of the Board were:

New Brunswick:	Dr. O. V. B. Miller
Nova Scotia:	Lt. Col. Garnet J. Colwell Mr. J. A. Walker Mr. W. L. Fillmore (Treasurer of the Board)

Of the total 235 students at the school, 118 were from Nova Scotia, 49 were from New Brunswick, 63 were from Newfoundland, 3 were from Prince Edward Island and 2 from elsewhere in Canada. Both Newfoundland and Prince Edward Island sent a considerable number of students to the school, yet were not obligated to fund it under the agreement. Both provinces, however, set up their own schools for the deaf after the 1965-66 school year.

THE ATLANTIC PREMIERS CONFERENCE HALIFAX, NOVA SCOTIA, SEPTEMBER 21, 1960

The Sixth Atlantic Premiers Conference was held in conjunction with the Fifth Annual APEC Atlantic Conference. The most significant occurrence in the year between the 1959 and 1960 Conferences was the defeat of Hugh John Flemming's government by Louis Robichaud in the New Brunswick general election of July 12, 1960.

The election of Louis Robichaud was important for several reasons. It is commonly believed that Premier Robichaud brought modern government to New Brunswick. The Robichaud administration believed that government could manipulate the economy of the province.

Despite the workload Premier Robichaud took on, he did leave ample time for regional concerns. Like Hugh John Flemming before him, and his colleague Robert Stanfield, Premier Robichaud would prove to be one of the most important advocates of regional cooperation in the 1960s.

Premier Robichaud's administration was staffed by a number of influential people. The Economic Adviser to the Government of New Brunswick became Delbert Gallagher. Professor W. Y. Smith left the Government of New Brunswick to set up the Voluntary Economic Planning Board of Nova Scotia. Mr. Gallagher was later Chairman of the Atlantic Provinces Research Board. Fred Drummie was Secretary to the Treasury Board, and in 1963 became the new Economic Adviser.

The APEC Atlantic Conference of September 19-20, 1960, was attended by the Members of Parliament and Senators from the Atlantic provinces, as well as a number of other special guests.[92] For example, Dr. Charles F. Phillips, President of the New England Council, spoke on prices and productivity; Mr. Milton Semer, Counsel to the United States Senate Committee on Banking and Commerce (he replaced Senator Edmund Muskie of the same Committee who was unable to attend the Conference), spoke on redevelopment in the United States; and Dr. Alexander Cairncross of the Department of Social and Economic Research at the University of Glasgow spoke on redevelopment in the U.K.

The Atlantic Premiers Conference's agenda dealt with five major topics:

1. Federal-provincial tax sharing agreements
2. The report of Dr. Cairncross on Canadian monetary policy and its effect on the Atlantic region's economy
3. The Chignecto Canal
4. A federal Farm Credit Program
5. Freezing federal freight rates

APEC's submission to the Premiers contained the following recommendations:

1. An electrical inspection authority should be established in each province, operating along uniform lines.
2. Tourist statistics should be collected on a standardized format; to do this, it would be necessary to bring the Directors of Tourism of each province together to discuss the best format.
3. An industrial brochure was needed, similar to the one published by the Atlantic Provinces House, for domestic and foreign trade promotion.[93]

The MTC had few recommendations, but did point out that the four provinces had jointly approved a two-volume regional brief to the Royal Commission on Transportation. They also reported that the study on the St. Lawrence Seaway would soon be completed.

The discussions of the Premiers revolved around the need for concrete planning in economic development. Each Premier had his own view of economic planning and methods by which such development should take place in the region.[94]

Premier Robichaud's proposal called for a two-pronged approach. He suggested that to accelerate economic development in the region, intensified economic research and a comprehensive development program was required. He felt that there had already been a successful campaign to solve fiscal problems of the region, but that little had been done to solve the fundamental structural problems of the region.

Premier Robichaud also called for the creation of a Capital Projects Commission to be integrated with this comprehensive development program. As a federal agency, it would receive contributions from the Atlantic provinces, who would also provide it with surveys to determine project priorities.

Premier Shaw's statement to the Conference echoed Premier Robichaud's. He noted that there was no clear outline or planned program to solve the region's problems, but he did not present any proposals of his own.

Premier Smallwood also stated that no clear proposals had yet been made to cure the region's economic problems. Premier Smallwood felt that the original purpose of the Atlantic Premiers Conferences was to present such proposals to the federal government. He also felt that the other useful things accomplished in the Conferences (such as Atlantic Provinces House and the School for the Deaf) were side benefits of such Conferences.

Premier Stanfield cautioned his colleagues against pursuing short-term goals. He stated that the objective of the Conference was "to devise ways and means whereby we can accelerate the role of economic growth in the region" and that it "would be unrealistic, I believe, if we look for spectacular results in a short period of time."[95]

Another discussion took place over the future role of APEC in the development of the region. As Premier Robichaud stated, "How far can APEC go? When it has gone as far as it can, who takes over? What is the role of the federal and provincial governments?"[96] The role APEC was to play in the future of the Atlantic Premiers Conference was in doubt at this time.

It was widely perceived that the 1960 Atlantic Premiers Conference had not produced any dramatic or "spectacular effects." While it had not produced any resolutions or joint efforts, it had stimulated a vigourous debate over economic planning and growth. It also indicated the loss of the special role APEC had played in previous discussions of the Premiers.

THE CAIRNCROSS REPORT, FEBRUARY, 1961

The Atlantic Provinces Research Board had commissioned Professor Alexander K. Cairncross of the Department of Social and Economic Research at the University of Glasgow to undertake a study of the effect of Canadian monetary policy on the Atlantic region's economy. The Atlantic Premiers had discussed the report with Professor Cairncross at the 1960 Atlantic Premiers Conference and the following February it was released to the public.

Cairncross's report "Economic Development and the Atlantic Provinces" dealt with two major points:

1. The effect monetary policy has on the region's economy and on the wider issues of seeking "to maintain an even degree of pressure of demand throughout Canada": This dealt with short-term problems resulting from cyclical fluctuations in economic activity.
2. The problem of differential rates of growth among various regions, and ways in which growth in underdeveloped regions (like Atlantic Canada) might be promoted: It looked at trends in the economy and means to influence those trends.

In much the same way that Dr. R. D. Howland's submission to the Royal Commission on Canada's Economic Prospects (1957) influenced the course of regional development (stressing capital infrastructure and natural resource industries), the Cairncross Report also introduced new strategies to promote regional development.

Cairncross recommended that a portion of Canadian manufacturing investment be directed to the Atlantic region.[97] To attract this investment to the region, Cairncross proposed that:

1. New industries should be given initial help towards establishing their business; and that
2. these industries should be given further assistance over a longer period through:
   - (a) freight cost subsidies,
   - (b) tax incentives,
   - (c) capital grants or guarantees,
   - (d) market guarantees.

Cairncross concluded that the provincial governments should provide these tax incentives but place conditions on how the industries were to qualify for them. He also concluded that the federal government should regulate the use of these incentives by reimbursing the provincial governments for those portions that complied with the general national regulations governing such incentives.

It is interesting to note the way in which each province followed these recommendations. New Brunswick's Department of Economic Growth and its Industrial Finance Board, Nova Scotia's Department of Trade and Industry and its Industrial Loan Act and Industrial Development Act, and Prince Edward Island's Industrial Enterprises Incorporated all pursued the goals set forth in the Cairncross Report.

THE ATLANTIC PREMIERS CONFERENCE
CHARLOTTETOWN, PRINCE EDWARD ISLAND, DECEMBER 8, 1961

The original date of the Atlantic Premiers Conference was to be September 20 as part of APEC's Annual Atlantic Conference. However, Premiers Stanfield and Smallwood were unable to attend on that date and it was moved to December 8. A list of representatives is provided in Figure 5.

As in the previous Conferences, the agenda was divided into two segments: the morning session dealt with the Premiers' public statements, while the afternoon session dealt with private discussions. Submissions by APEC (presented by Professor Smith), the APRB (presented by Mr. Gallagher) and the MTC (presented by Mr. MacKay) were accepted during the morning session.

Figure 5

REPRESENTATIVES TO THE ATLANTIC PREMIERS CONFERENCE

CHARLOTTETOWN, PRINCE EDWARD ISLAND, DECEMBER 8, 1961

The Government of New Brunswick

Honourable Louis Robichaud, Premier
Honourable L. G. Desbrisay, Minister of Industry
Delbert W. Gallagher, Economic Adviser to the Government of New Brunswick, Chairman APRB

The Government of Newfoundland

Honourable Joseph R. Smallwood, Premier
Honourable Dr. F. W. Rowe, Minister of Education
Gordon Pushie, Director of Economic Development

The Government of Nova Scotia

Honourable Robert L. Stanfield, Premier
Honourable Mr. Haliburton, Minister of Lands and Forests
J. R. Bigelow, Director of Research for the Government of Nova Scotia
Innis G. MacLeod, Executive Assistant to the Premier

The Government of Prince Edward Island

Honourable Walter R. Shaw, Premier (Chairman)
Honourable David Stewart, Provincial Secretary
Honourable Melvin McQuaid, Provincial Treasurer
Wendall MacKay, Executive Assistant to the Premier, Deputy Provincial Treasurer

Atlantic Provinces Economic Council

Professor W. Y. Smith, President
O. Nelson Mann, Executive Vice-President
Arthur C. Parks, Director of Research, Secretary of the APRB
C. R. Hunter, Vice-President (P.E.I.)

Maritime Transportation Commission

A. Murray MacKay, Chairman

APEC's submission had been formulated and agreed upon at the September Atlantic Conference. It had two major recommendations:

1. The federal government should establish a capital fund for the Atlantic provinces to which provincial governments could apply for grants to assist in economic development. The provincial governments would apply for funds through "cornerstone" industries, or industrial estates. This fund would be used to locate or expand industry in the region. A federal agency would be required to administer the fund, and would be called the Atlantic Provinces Development Board.

2. The federal government should establish an agency to expand public investment in the region. This agency would be similar to the Capital Projects Commission recommended in the report of the Royal Commission on Canada's Economic Prospects. It would examine and report on the feasibility of expanded public services to stimulate economic development in the region.

Other recommendations concerned:

3. Restoration of the original intentions of the Maritime Freight Rates Act;

4. Establishing a Standing Regional Committee on technical training;

5. Proposals for tax incentives to encourage industrial expansion;

6. Changes in coal subventions to encourage the use of coal in the generation of thermal power; and

7. Instituting a study to determine the effects on the region of new developments in international trade. Such developments were Britain's possible entry into the European Common Market and the expiry of the United States' Reciprocal Trade Agreements Act in 1962.[98]

The APRB reported that two new studies had been commissioned on secondary manufacturing in the Atlantic provinces and area development policies in Western Europe and the United States. The APRB also reported that its research program for the coming year gave consideration to tax incentives, trade relations and the use of input-output tables to guide the formulation of development policies.

In the private discussions, the Premiers discussed federal aid to forest fire protection. This had become an issue after the controversy that broke out in

1961 over the billing of Nova Scotia and Newfoundland by the federal government for the provision of armed servicemen to fight fires in those provinces. The Premiers also discussed the Atlantic Provinces Adjustment Grants at the insistence of Premier Shaw. The grants were being increased from $25 million in the previous years to $35 million beginning in 1962. Premier Shaw felt that Prince Edward Island deserved a greater portion of these grants and Newfoundland less, as the latter province was still receiving the subsidies arising from the Confederation settlement.[99]

The only indication of any resolutions of the discussions of the Premiers came in the press conference at the end of the Conference. This in itself was a unique event in that no formal press conference had yet been granted at the conclusion of an Atlantic Premiers Conference. This addition was the recommendation of Premier Stanfield.

The Premiers had agreed to set up a committee of representatives of the four provinces to study the two main APEC recommendations--the creation of an Atlantic Provinces Development Board, and assistance for the development of public services. The possibility of a joint proposal of the four Atlantic provinces to the federal government to establish these two agencies was left open in the Premiers' statements to the press.

Also, the Premiers directed the APRB to observe the effects of both the British entry into the European Common Market and the expiry of the American Reciprocal Trade Agreements Act on the trading relations of the Atlantic provinces. The APRB was also directed, if necessary, to consider and make recommendations to the Premiers on the desirability of commissioning an independent study of these effects.

Despite the fact that these decisions were not concrete directions for action, the Premiers were extremely pleased with the outcome of the Conference. As Premier Stanfield stated, they were close to a "comprehensive approach to a solution of our joint problems" and that the Conference was "perhaps the most useful meeting we have had yet."[100]

CONCLUSION

This chapter has described the establishment of the Atlantic Premiers Conference as a response to the challenge made by the federal government to initiate economic redevelopment in the region. The Premiers, aided and encouraged by APEC, began to take a more active role in the economic revitalization of the region. The Atlantic Provinces Adjustment Grants, Atlantic Provinces House, the Interprovincial Power Grid and the Atlantic Provinces Research Board were all designed to stimulate the economic and social development of the region.

APEC had played an increasingly influential role in the formulation of these plans. Many of their recommendations to the Premiers were gladly accepted. Nelson Mann, Executive Manager of APEC, had acted as Secretary to the Continuing Committee and coordinated the development of the power grid. Arthur Parks became Secretary-Treasurer of the APRB. However, it appears APEC's recommendations had resulted in their own displacement. APEC's recommendation to create the Atlantic Development Board, as well as other developments in the federal government's relations with the region, reduced APEC's influence over the Premiers. The provinces began to turn their attention increasingly toward Ottawa.

CHAPTER 3

FEDERAL INITIATIVE, REGIONAL RESPONSE - 1962-1965

INTRODUCTION

With the creation of a federal agency specifically designed to develop Atlantic Canada, the Premiers had a vehicle on which to direct their own responses to federal initiatives. Private sector proposals, especailly those of APEC, were no longer looked upon with as great an interest as in the previous period, and APEC itself was rarely represented at the Atlantic Premiers Conferences during this time.

After taking up the federal government's challenge, the Atlantic provinces began an active period of responding to other federal policies. Specifically, the provinces concerned themselves with the Maritime Freight Rates Act, the Atlantic Development Board, constitutional matters and capital projects. The Premiers' objective was to secure a better place for the Atlantic region in a redefined Canadian federation.

The idea of Maritime union was one way to redefine the nation. New Brunswick and Nova Scotia began to develop the idea by proposing the creation of a union study, with the hope that they could achieve even greater cooperation among the provinces of the region.

THE ATLANTIC PREMIERS CONFERENCE

ST. JOHN'S, NEWFOUNDLAND, JULY 23, 1962

This Conference was attended by Premiers Smallwood, Robichaud and Stanfield. Premier Shaw of Prince Edward Island was ill. In his absence, David Stewart, the Provincial Secretary, and Melvin McQuaid, the Provincial Treasurer, attended.

No formal agenda was provided for the Conference. It was expected, however, that the following topics would be discussed:

1. Economic Development
2. Uniform Highway Legislation
3. Education
4. Transportation
5. Atlantic Provinces Adjustment Grants[1]

The last of these topics, the Adjustment Grants, was the major concern of Prince Edward Island. As it had not obtained the consent of the other provinces to increase its share of the grants, the Prince Edward Island government had made an appeal to Prime Minister Diefenbaker. A special Premiers' meeting was reported to have been called to discuss the matter.

APEC and the MTC were not represented at this Conference. Rather, each prepared a short report of current activities and general recommendations and mailed them to the Premiers. This considerably shortened the Conference.

Despite the brevity of this Conference, two important decisions were reached. First, the Premiers formed an Interprovincial Cabinet Committee on Transportation. Transportation was considered to be of the highest importance and there was, therefore, a need for interprovincial collaboration at the Cabinet level. The second decision concerned the agreement to establish uniform weight limits for bridges and highways in the four provinces. This was conditional on the provision that Newfoundland be able to have slightly lower limits on a certain number of its bridges.[2]

It was also revealed at this meeting that the four Atlantic Premiers had made joint recommendations to the federal government to establish an agency similar to APEC's proposal at the last Atlantic Premiers Conference.

NEW ENGLAND COUNCIL - APEC CONFERENCE

An APEC delegation, represented by Delbert W. Gallagher, Professor Norman Morse, Arthur C. Parks and F. T. Walton attended an Economic Conference at the University of Maine in Orono on September 10, 1962. They met with ten leading New England economists to determine if there were any areas in which APEC and the New England Council could carry out joint research.

A committee was set up consisting of Professor Raphaelson of the New England Council and Professor Morse of APEC. It was directed to determine the feasibility of undertaking a joint study on the exchange of goods between New England and the Atlantic provinces.[3] It is not known whether this proposal resulted in any more coordination between the two councils.

MEETING OF THE DEPUTY MINISTERS OF INDUSTRY

A meeting to investigate the operations of Atlantic Provinces House was held on September 24, 1962, in Halifax. The Atlantic provinces' Deputy Ministers of Industry and the Agent General, Mr. Watson Jamer, attended this meeting.

It was called primarily because Mr. Jamer's five-year term was to expire the following March. The purpose of the meeting was to determine whether or not the programs and activities of the London Office warranted Mr. Jamer's reappointment.

Expansion of the London Office was also questioned. The Province of Ontario had recently expanded its London Office by opening sub-offices in Dusseldorf, West Germany, with consideration of others in Paris, Milan and Oslo. Atlantic Provinces House currently had a staff of four: Mr. Jamer, his assistant and two secretaries. If an expanded trade promotion presence was desired, the staff would have to have been considerably increased.

While the discussions and outcome of this meeting are not known, it can be assumed that the Deputy Ministers deciding against expanding the London Office. Mr. Jamer was re-appointed but his staff was not increased.[4]

TRANSPORTATION ISSUES IN 1963

On April 1, 1963, the federal government agreed to undertake 90 percent of the cost of finishing the uncompleted portions of the Trans-Canada Highway in the Atlantic provinces. The federal government also agreed to assist Prince Edward Island in rebuilding a portion of the Trans-Canada Highway to all-weather standards.

With the construction of the Trans-Canada Highway, discussions began among the Atlantic provinces' Highways Ministers and the Premiers of building a second trans-Canada highway. The Dominion Highway, they proposed, would begin in Yarmouth and connect Halifax, Amherst, Shediac and the north shore of New Brunswick to Campbellton, and into Quebec where it would swing westward. This idea appeared on the agenda of many of the talks among the governnments.[5]

Railway transportation was a serious issue in 1963. The Royal Commission on Transportation (the MacPherson Commission) had been appointed on May 13, 1959, by the Diefenbaker government. Its report, tabled in the House of Commons on April 10, 1961, had caused great concern among the Atlantic Premiers, and the discussions at subsequent Atlantic Premiers Conferences no doubt dealt with the MacPherson Commission's recommendations.

Briefly, the report's recommendations applying to the Atlantic region were:

1. A maximum and minimum rate control plan should be established which would allow the railways to fix rates subject only to a floor rate equalling out-of-pocket costs (variable costs) and a ceiling rate equalling 150 percent above these variable costs;
2. The establishment of a Branch Line Rationalization Authority to determine dates to abandon uneconomic branch lines;
3. The establishment of a five-year subsidy for passenger services;
4. The establishment of a so-called "At and East" rate to St. Lawrence and Atlantic ports; and
5. The discontinuation of Maritime Freight Rates payments on movements within the region, except on traffic from, to, and within Newfoundland.[6]

Early in 1963, the Interprovincial Cabinet Committee appointed at the 1962 Atlantic Premiers Conference met with the MTC to discuss railway issues. It agreed to a five-point program for presentation to the federal government. This program was as follows:

1. That for the purpose of maximum rate control, the maximum rate be the variable costs appropriate to the movement as defined by the Board of Transport Commissioners, plus 50% of that variable cost for traffic moving from, to and within "select" territory.
2. That the 30% subsidy on movements westward from "select" territory be extended to apply to the through movement on all freight shipments originating in such "select" territory destined to all points in Canada west of "select" territory, and east of Fort William, Port Arthur and Armstrong, Ontario.
3. That the existing 20% subsidy on movements within "select" territory be retained.
4. That the 30% subsidy on westward movements from "select" territory and the 20% subsidy on movements within "select" territory apply to all common carriers meeting the necessary eligibility requirements.
5. That the recommendations of the MacPherson Commission pertaining to the construction of bulk grain storage facilities, a network of highways and associated interprovincial ferry services in Newfoundland be implemented.[7]

Premier Stanfield, and Messrs. J. M. Crosby and Craig Dickson (Chairman and Executive Manager of the MTC, respectively) presented this five-point proposal to the federal Minister of Transportation in early February of 1963.

Because of the election of a new Liberal government under Lester Pearson in April 1963, Premier Stanfield, again representing the Atlantic Premiers, Mr. Crosby and Mr. Dickson decided to restate their proposals to the new federal government.

They met with Transport Minister McIlraith in late June of 1963. The Minister had already proposed new transportation legislation incorporating many of the recommendations of the MacPherson Commission. Their submission to the

Minister emphasized the need to ensure that the proposed legislation would re-affirm the original purpose of the Maritime Freight Rates Act (MFRA). They also held meetings with the Ministers of Labour and Fisheries, the Secretary of State and the Solicitor General.

The Transport Minister assured the Atlantic delegation that the proposed legislation would contain a provision maintaining the statutory advantages of rates in preferred territories. He also noted that the MFRA would not be repealed at this time.

Other transportation issues were dealt with in 1963. The Government of Newfoundland, in conjunction with the other three governments of the Atlantic provinces, granted reciprocity of licences to commercial trucks operating interprovincially. A licence fee was still required, however, on non-resident commercial trucks carrying freight in Newfoundland.

Perhaps the most divisive issue in transportation in 1963 concerned the purchase of Maritime Central Airways of Charlottetown by Eastern Provincial Airways of Gander, Newfoundland. The Newfoundland government supported the purchase of Maritime Central. APEC, however, did not. Maritime Central Airway's headquarters were in Charlottetown, and its fleet was stationed in Moncton. It was this decentralized operation that APEC supported and not one centralized in Gander.[8] The Government of Newfoundland withdrew its support from APEC over this issue.[9] This was one more reason for APEC's non-participation in the discussions at the subsequent Atlantic Premiers Conferences.

THE ATLANTIC DEVELOPMENT BOARD 1963

In 1961, the Agricultural and Rural Development Act (ARDA) was enacted by Parliament. The Act set out the federal government's new-found commitment to regional development. ARDA was designed to tackle the specific problems of rural poverty by directing its efforts at developing the agricultural sector.

ARDA was administered on a 50-50 cost-sharing basis with the provinces. It covered projects for land, soil and water conservation, land consolidation, improved farming techniques and financial assistance grants or loans to farmers.

The Atlantic Provinces Adjustment Grants and ARDA did not, however, succeed in alleviating regional disparities. The Cairncross Report and its recommendations regarding the promotion of industrial development in the region became the new solution to this problem. APEC's 1961 recommendations to the Atlantic Premiers Conference adopted the Cairncross recommendations, calling for a federal agency (which they called the Atlantic Provinces Development Board) to provide funding to expanding industries in the region. In this manner, it was hoped that private and public investment in the Atlantic provinces would increase, thereby causing the Gross Provincial Product of the region to expand. In summary, the proposed agency was intended to have a stimulative effect on the overall economy of the region.[10]

The Premiers of the Atlantic provinces took this proposal to the federal government. The Minister of National Revenue at the time was Hugh John Flemming, the former Premier of New Brunswick. Mr. Flemming's original design of the Atlantic Development Board (ADB) had two main features. First, the ADB would advise the federal Cabinet on proposals made by the provinces, business or private research. This would ensure that the ADB had the ability to acquire and handle information on regional problems by listening to expert advice. Second, all actual policy proposals would be designed by the federal Cabinet.

On November 1, 1962, an APEC delegation composed of President Gerald E. Martin, Professor W. Y. Smith and Nelson Mann made representations to members of the federal Cabinet. They met with George C. Nowlan, Minister of Finance, Hugh John Flemming, Minister of National Revenue, and Hon. J. Angus MacLean to discuss the ADB.

APEC stressed the need for heavy capital investment in the region. They also emphasized the point that the ADB should not just receive applications for assistance, but be empowered to initiate programs and make funds available for such programs. Following their discussions with the Ministers, the APEC delegation met with senior federal public servants R. B. Bryce, J. S.

Hodgson, Simon Reisman and E. A. Oestreicher. The purpose of this meeting was to convince senior public servants that the proposed ADB was not to be subordinate to a national development board.

An organizational group was set up to rough out the legislation establishing the ADB. This group was made up by Hon. Hugh John Flemming, Hon. George Nowlan, Nelson Mann and Professor Smith, who acted as the group's Secretary.[11]

APEC's influential role in the creation of the ADB was acknowledged by Mr. Flemming in a speech deliverd to APEC in December 1962. He said: "The Council [APEC] has been very successful and is an illustration of how our four provinces can work together in an economic sense...."[12]

The 'Flemming' ADB, as constituted, had the power of assessing for the federal Cabinet all development proposals presented to it. It had no project funds to assist developing industries. It had an arm's length relationship with the government as it was made up of a group of private citizens who had no regular contact with either the Ministers or their bureaucrats.

The first official meeting of the ADB was held on February 2, 1963, in Ottawa. Its members were:

Brigadier Michael Wardell (publisher of the Atlantic Advocate and the Fredericton Daily Gleaner), Chairman
Dr. Ernest P. Weeks (Federal government), Executive Director
Donat Lalonde (Assistant General Manager, La banque provinciale, Moncton, N.B.)
Fred Ayre (Managing Director, Bowrings Ltd., St. John's, Nfld.)
Melvin J. McQuaid (former Attorney General and Provincial Treasurer, P.E.I.)
Frank H. Sobey (President, Sobey's Stores Ltd., Stellarton, N.S.)

However, the federal election of April 8, 1963, changed everything. The new Liberal government of Lester Pearson considerably altered the ADB. The new Secretary of State, Jack Pickersgill, took the ADB from its arm's length relationship and placed it directly under his portfolio. He increased its membership from five to eleven and shortened their terms of office from five to three years. More importantly, the ADB was given a fund of $100 million, to be divided by explicit ratios among the provinces.

According to the new legislation, the ADB was given direct responsibility to prepare "an overall coordinated plan for the promotion of the economic growth of the Atlantic region."[13] The new ADB was directed to design a regional policy providing direction for the federal government's departments and agencies. The ADB was also required to formulate a set of principles to govern Ottawa's relationship with the provinces in joint ventures funded by the ADB. Each province was required to accept financial responsibility within their means in these joint ventures, and to participate in the planning and administrative work of the Board.

THE ATLANTIC PREMIERS CONFERENCE
FREDERICTON, NEW BRUNSWICK, JULY 16, 1963

The four Atlantic Premiers (Premiers Smallwood, Newfoundland; Robichaud, New Brunswick; Stanfield, Nova Scotia; Shaw, Prince Edward Island) and their aides and senior Cabinet Ministers attended the Ninth Atlantic Premiers Conference.

The private agenda for the Conference was quite extensive. Besides considering the prepared statements of APEC, the Atlantic Provinces Representation Committee, the APRB and the MTC, the Premiers discussed:

1. The Atlantic Development Board;
2. Interprovincial support for educational institutions serving regional needs;
3. A proposed leadership and physical fitness training centre for the four provinces; and
4. Federal sharing of the cost of trunk highways.[14]

APEC's submission concerned their need to re-assess their organization. Because of their expanding research and advisory functions, they proposed that the Premiers consider financing APEC, so as to lessen their reliance on private subscriptions. As stated in APEC's submission, "Our method of receiving financial support for research work requires assessment."[15]

The Representation Committee (made up of the four Deputy Ministers of Industry) reported on the operations of Atlantic Provinces House. As mentioned previously, it is likely the Committee did not recommend the opening of new trade offices. However, the Committee did recommend expanding the trade promotion activities in the London office.

The report of the MTC spoke of the ramifications of the implementation of the MacPherson Commission's recommendations. As their report stated:

> The MTC will continue to make its voice heard wherever and whenever possible, urging that legislation based on the MacPherson Report must contain proper safeguards for the Atlantic provinces. When the proposed legislation is introduced into the House of Commons, we will scrutinize it most carefully in conjunction with our legal adviser and in cooperation with the four governments, take whatever steps are open to protect the interests of these four Atlantic provinces.[16]

The MTC report also outlined the structural changes to transportation services with the expansion of the trucking industry.

The discussion about the Atlantic Development Board concerned the participation the provinces would have in the formulation of its development policy. The discussion was probably quite feverish as the bill providing for the $100 million fund had just passed third reading in the House of Commons and was about to be discussed in the Senate.

The discussions on interprovincial support for educational institutions no doubt centered on those institutions considered to be regional centres of professional instruction. Cooperation in education had been achieved in the early 1950s because of the pressures of increased registration, higher costs and the limitations on government assistance to post-secondary education. As a result, the Atlantic Provinces Inter-University Committee on the Sciences had been created in 1962 to promote wider cooperation in the teaching of science and engineering. The Association of Atlantic Universities was established in 1964 to do much the same thing in the other areas of post-secondary education.

These regional centres included: the Schools of Medicine, Dentistry and Pharmacy at Dalhousie University in Halifax which centralized medical education; the Maritime Forest Ranger School at the University of New Brunswick; the Nova Scotia Agricultural College in Truro which centralized teaching in the agricultural technologies; and the Maritime School of Social Work at Dalhousie. There had also existed since the 1950s a "gentlemen's agreement" between the provinces to concentrate most graduate work at Dalhousie and the University of New Brunswick.

The four Atlantic provinces had agreed to share the operating costs of the Agricultural College. Nova Scotia and New Brunswick had agreed to do the same with the Forest Ranger School. In both these cases, the host province was responsible for any new construction.[17]

Also discussed since the late 1950s, and probably discussed at the 1963 Atlantic Premiers Conference, was the proposed Atlantic Institute of Education. According to Robert Stanfield, it would be similar to the Ontario Institute for Studies in Education (OISE).[18] Its proposed terms of reference were:

1. To conduct research on all aspects of education in the Atlantic region;
2. To act as a central library and centre for instructional development;
3. To act as a centre for televised learning; and
4. To centralize all graduate (above the B.Ed. level) and specialized study and research.

While all four provinces agreed on the terms of reference, there was considerable disagreement on where it was to be located. Most educators favoured Dalhousie University. However, as noted by Dr. L. H. Cragg, President of Mount Allison University, at the "Idea of Maritime Union" Conference in 1965:

> Dalhousie is in Halifax, and Halifax is in Nova Scotia and not even in a sensitive and diplomatically central part of Nova Scotia. So the Institute of Education still awaits realization.[19]

Two important decisions were reached at the 1963 Atlantic Premiers Conference. The first was to appoint a committee to study the proposed change to railway legislation. As well, the Premiers authorized the MTC to develop a system of gathering uniform statistical data on truck movements in the region by using existing highway weight scale reporting forms. A Committee was established consisting of the Registrars of the three Maritime provinces, the Chief Highway Engineer of Newfoundland and MTC staff to develop the uniform system.

The Premiers also decided that the ADB had to be discussed at length with the federal government as "there is a need to obtain some clarification of its purpose."[20] The four Premiers agreed to meet with members of the federal Cabinet prior to the Federal-Provincial Conference on the Canada Pension Plan and the Municipal Development Loan Fund, to be held in Ottawa on July 26 and 27.

Premier Robichaud was asked to arrange this meeting. The day after the Atlantic Premiers Conference (July 17), he telephoned the Secretary of State, Jack Pickersgill, to arrange a meeting between the Premiers and the federal Atlantic Cabinet Minsters. It was agreed that the four Premiers, along with Mr. Pickersgill (Nfld.), Labour Minister Allan J. MacEachen (N.S.), Solictor General McNaught (P.E.I.), and Fisheries Minister Robichaud (N.B.) would meet on July 25 to discuss the ADB.

MEETING WITH THE FEDERAL ATLANTIC CABINET MINISTERS, JULY 25, 1963

The confusion over the purpose of the ADB centred on where the functions of the ADB ended and where the functions of the new Area Development Agency (ADA) began.

The ADA provided capital grants to industries locating or expanding in developing areas. It was a national program administered by the Department of

Industry designed to develop specified areas, and excluding areas of prosperity. The ADA was given the power to direct federal departments and agencies to undertake special measures to promote economic development in specified areas. Just as APEC had been concerned that the ADB might be subordinated to a national development board (refer to their November 1, 1962, meeting with the Atlantic federal Cabinet Ministers), the Premiers were confused over the government's two-track program: While the ADB would channel funds into the region as a whole, the ADA would channel programs into sub-regional areas.

The meeting was called to allay the concern of the Premiers that the ADB might be subordinated to the ADA. The discussion centered around the general principles of the ADB, and did not concentrate on specific projects. Mr. Drury, Minister of Industry, attended the meeting, as did Michael Wardell and E. P. Weeks, Chairman and Executive Director respectively, of the ADB.

In the press conference at the end of the meeting, it was revealed that the Premiers had differing concerns during the meeting. Premier Robichaud stated, "We were confused," to which Premier Smallwood added "Some of us were confused."[21] It is not known to what extent this confusion was resolved, as vital questions such as who the five new board members were or how the $100 million fund would be allocated were not answered.

THE FEDERAL-PROVINCIAL CONFERENCE ON FISCAL MATTERS, OTTAWA, ONTARIO NOVEMBER 26-29, 1963

This Conference provides a clear example of Atlantic provincial cooperation. It also indicates the extent to which the four provinces coordinated their approach to the federal government on fiscal relations.

All ten provinces approached the Conference with the objective of securing federal tax concessions or larger equalization payments. The federal government approached the Conference with the objective of not giving out any more provincial grants. Premier Stanfield proposed that the federal government retain a sufficient portion of the tax fields to enable it to "discharge its constitutional responsiblities" of assisting those provinces with lower tax capacities.

The other three Atlantic Premiers strongly agreed with this position. Premier Smallwood re-iterated Premier Stanfield's proposal and Premier Shaw stated the federal government should maintain the tax sharing programs so that a "reasonable level of provincial services without an abnormal burden [of] taxation would be provided."[23]

These positions were directly related to the objectives of the first Atlantic Premiers Conference, even though the actors had changed. The Premiers remained committed to the idea that the federal government must follow its constitutional obligation of ensuring reasonable levels of provincial services without undue tax burdens. The results of this Conference indicate that the Atlantic Premiers had heeded the original objectives behind their cooperative efforts.

THE FEDERAL-PROVINCIAL CONSTITUTIONAL CONFERENCE CHARLOTTETOWN, PRINCE EDWARD ISLAND, AUGUST 31-SEPTEMBER 2, 1964

The idea of Atlantic or Maritime union was not a new one. At each Atlantic Premiers Conference since 1956, "the resumption of a certain order of business which was interrupted in the City of Charlottetown in the year 1864" (Hugh John Flemming, 1956 Atlantic Premiers Conference) had underlined many of the discussions of the Premiers.[24]

At the Charlottetown First Ministers' Conference, Premier Louis Robichaud announced that:

> Perhaps Premiers Stanfield, Smallwood, Shaw and I may get together today and, on this centennial of that first meeting in Charlottetown, decide to reduce the number of Canadian provinces from ten to seven. Should that occur, the focal point of progress and activity in the nation would unquestionably and rapidly take a marked shift to the east.[25]

While Premier Robichaud's proposal was not surprising in hindsight, the press reaction was. A proposed union of the Eastern Canadian provinces had been a creature of the Central Canadian press for a number of years. Many of these newspapers had questioned the logic of the status of Prince Edward Island, a province whose population was no larger than that of the city of St. Catherines, Ontario. The Toronto Globe and Mail had already labelled the Atlantic provincial governments as inefficient (due to scale) and therefore pressed for union.[26]

There are many questions as to the seriousness of Premier Robichaud's statement. As reported in the press, he had a smile on his face as he made his proposal and many observers felt he was simply being facetious.

Premier Robichaud was concerned about the future of the Atlantic region. He had tried to impress upon the other provincial governments the need for greater cooperation, rather than competition. One of the other concerns behind Premier Robichaud's statement was the threat of Quebec separation. This was a perceived possibility at the time, and the Atlantic provinces (notably the three Maritime provinces) were concerned about the increased geographic isolation resulting from separation.

The responses of the other Premiers were also surprising. Premier Stanfield, was observed by the press to have "chuckled audibly" at Premier Robichaud's proposal.[27] However, when questioned later, Premier Stanfield responded:

> We are prepared to consider it, provided provision is to be made for proper safeguards. On a per capita basis, we [Nova Scotia] have a higher standard of income than the three other provinces, and we wouldn't want to have that brought down. We would be only prepared to consider it on a basis of everybody else being pulled up rather than Nova Scotia being pulled down.[28]

Premier Shaw dismissed the idea. He had stated at previous Atlantic Premiers Conferences that he did not believe in union, but did favour increased cooperation. However, Premier Shaw did state, "I'm ready to go into anything that is for the good of the Atlantic provinces as a whole, and even more important, for Canada as a whole." However, as he told the press later, the chances for political union being taken as a serious option were "extremely remote.

Premier Smallwood's reaction was probably the most surprising of all. He maintained that Newfoundland could not be considered a 'Maritime' province as it was not a mainland province, and that it was culturally, economically, socially and politically unique. He much preferred dealing with Ottawa bilaterally, and not in conjunction with the Maritime provinces.[30] His response to Premier Robichaud's proposal was surprising, therefore, in that he stated that the proposal was "very worthy of careful consideration" and suggested it be placed on the agenda of the next Atlantic Premiers Conference.[31]

Even more surprising was his proposal for a union of Newfoundland and Prince Edward Island. As he stated:

> This would be a perfectly natural union. The material advantages would be greater for Prince Edward Island than for my province. But we [Newfoundland] would gain in other ways. It would mean that we would have 600,000 people in the new united province right away and much more in the future.[32]

The Newfoundland press coverage was less optimistic about Premier Smallwood's reaction. He was reported to say, on returning to his province, "There are many obstacles [to the political union of the Atlantic provinces] but obstacles were made to be removed." Referring to Premier Stanfield's reaction, he was reported to say, "I can't see Prince Edward Island and Newfoundland agreeing to it."[33]

THE ATLANTIC PREMIERS CONFERENCE
HALIFAX, NOVA SCOTIA, SEPTEMBER 30, 1964

The four Atlantic Premiers, their aides and senior Cabinet Ministers attended this Conference at Province House in Halifax. The agenda of the private session was probably as follows:

1. Statements by the Premiers;
2. APEC submission:

3. Report of the MTC by Mr. J. M. Crosby, Chairman;
4. Report of the APRB by Fred Drummie;
5. Discussion of Newfoundland's bid to market Hamilton Falls power in the Maritime provinces and New England states;
6. Discussion of offshore mineral rights;
7. Discussion of increased cooperation in regional industrial development;
8. Discussion of the Atlantic union proposal; and
9. Preparation of a press communique.[34]

The APEC submission was once again mailed to the Premiers Conference. It discussed the report of Dr. Thomas Wilson (of the University of Glasgow) for the APRB titled Financial Assistance with Regional Development.

APEC reported that Professor Wilson recommended that:

1. Public investment planning should be prepared by each provincial government acting in collaboration with the federal government department involved.
2. Infrastructure improvement should become a vital part of this public investment.
3. A capital expenditure plan should be prepared to ensure that available resources were used to their greatest possible effort in economic development. Wilson, therefore, saw that a system of prioritizing such expenditures was required.
4. The 'growth centre' concept should be followed as "experience everywhere shows that some geographical concentration of industry is desirable."[35]

This last point was the thrust of APEC's submission. In relating the growth centre concept to each province's own industrial development plans, APEC quoted Professor Wilson's point that "it is recommended that one or two factory parks should be established in growth centres in the Atlantic provinces."[36] They would be established either by the provincial government or by the federal government to be later turned over to the province for administration.

APEC also reported that it had been receiving specific research assignments from the Governments of New Brunswick, Nova Scotia and Canada.

The MTC report was of pressing concern. On September 14, the Minister of Transport had introduced Bill C-120 in the House of Commons which would implement the recommendations of the MacPherson Commission. These have been provided earlier in this report. The MTC reported that it had been conferring with its western counterparts and that it had begun charting a course of action to oppose certain features of Bill C-120. The MTC also reported that it had been making progress on the highway statistics project assigned to it at the last Atlantic Premiers Conference.

The Province of New Brunswick's proposal for Atlantic Union was of great importance at this Conference, especially considering the reactions Premier Robichaud's statement had received at the First Ministers Conference. As the proposal stated:

> The new pressures of the mid-20th century, the problems of national unity, and the growth in governmental responsibilities, combine in calling for re-examination of proposals for the union of these four Atlantic provinces.[37]

His intention was not to achieve political union immediately. Rather, he proposed the formation of a study:

> It is proposed that a serious examination of the question of union be undertaken, leading to either the acceptance or rejection of the proposal on intelligent grounds. I believe the time has come when we must abandon the parochial attitudes towards our combined future; it is also time that we consider this proposition on the basis of facts rather than emotion. The subject is too serious to permit the discussion of it to be clouded or subverted by prejudices or pettiness of any nature.[38]

To Premier Robichaud, political union was axiomatic to a more rational industrial, economic and political development program for the Atlantic region. However, his proposal did not penetrate as well as he had hoped. Premier Shaw rejected the proposal outright, saying he was not prepared to commit his province to such an idea without the full consent of the people and Legislature of the province. Premier Smallwood also repeated his proposal of a union of the two island provinces, but again, Premier Shaw remained noncommittal.

Premier Stanfield's proposal did provide Premier Robichaud with some optimism. Premier Stanfield proposed that New Brunswick and Nova Scotia proceed with this idea alone: both Premiers would ask each of their Legislatures to decide by a free vote whether or not a joint study on the feasibility of union should take place. This resolution would be identical in wording in both provinces, and could be broadened to include one or both of the other provinces if they decided to change their minds. Premier Robichaud accepted Premier Stanfield's proposal.

All four Premiers also decided on three items of interest to transportation in the region. These decisions were as follows:

1. Amendments to Bill C-120, as outlined in the MTC submission, were desirable changes in a national transportation policy. The Premiers authorized the MTC to cooperate with the western provinces on matters of common interest in this.
2. The Government of Canada should freeze rates and benefits now applicable to the Atlantic region until a study on the transportation system in the Atlantic provinces was completed and acted upon by the federal government.
3. Premier Stanfield was authorized to write to the Prime Minister to set up a meeting between the four Atlantic Premiers and the Prime Minister prior to the October 13-14 Constitutional Conference.[39]

The Premiers also decided at this Conference to establish closer ties with one another for regional economic development. They decided to work out a common approach to the region's development. To this end, they were determined to stop undercutting each other in the attempt to attract industry to their own province. They agreed to call a meeting of their Deputy Ministers of Industry and Trade to examine a common approach to economic development and to set up programs to achieve greater cooperation. As Premier Robichaud told the press after the Conference, this new approach would be "an attempt to stop cutting each other's throat."[40] The Premiers also directed the APRB to undertake a study of existing regional cooperative activities and also identify other areas that might benefit from increased cooperation.[41]

The final decision of this Conference was to re-affirm the Premiers' position of provincial responsibility for the mineral rights and possible oil and gas deposits on the Continental Shelf. In order to strengthen their case, the Premiers drew up a map, outlining the extent of each province's ownership. In order to secure their position on ownership with the federal government, they decided to involve the other provinces (except Alberta and Saskatchewan). Each of these provinces would recognize each other's offshore claim. (The Atlantic provinces secured the agreement of Manitoba and Ontario in this way by supporting the division of Hudson Bay.) These positions would then be presented to the federal government to seek its recognition of provincial offshore rights.[42]

FOLLOW-UP TO THE 1964 ATLANTIC PREMIERS CONFERENCE

As agreed at the September Conference, the Atlantic Premiers placed a request before the federal government to take the steps necessary to amend Bill C-120. They asked that the benefits of the Maritime Freight Rates Act be restored in the region and that the objectives of the MFRA be maintained as the structure of the national transportation system changed.

In following up the Premiers' decision to coordinate industrial development in the provinces, the New Brunswick Industry Minister, Mr. L. G. DesBrisay, outlined a proposal for a central industrial agency at a meeting of the Amherst, Nova Scotia, Rotary Club on December 14, 1964.[43] He called for the creation of a central trading unit in the Atlantic region that would direct industries locating in the region to the areas that would maximize the benefits to the industry and to the region as a whole. It was hoped that such an agency would prevent any imbalance in industrial growth among the four provinces in the region.

Mr. DesBrisay also mentioned that there was a limit to how much financial assistance each province could individually provide to these industries. He felt that utilizing the economies of scale inherent in a common agency, governments could effectively attract industry to the region at lower costs to each province. He also mentioned that the New Brunswick government had already halted negotiations with certain industries. These were industries which had been attempting to play one province off against another to obtain large concessions.

"THE IDEA OF MARITIME UNION" CONFERENCE, FEBRUARY 5-7, 1965

The Canadian Institute on Public Affairs and Mount Allison University jointly sponsored a Conference on Maritime union at Mount Allison University in Sackville, New Brunswick. As stated in the preface of the Conference's report titled "The Idea of Maritime Union," the purpose of the Conference was:

> to provide an opportunity for an interested group to discuss the idea of Maritime union on the basis of some background papers specifically prepared for the event. It was intended as a contribution to public discussion and did not seek in any way to reach conclusions or take a position on the issue.[44]

A summary of the presentations and participants in the Conference is provided below.

1. A Political Scientist Looks at Maritime Union

   Hugh Thorburn, Associate Professor of Political Science, Queen's University

   Comment: Edward Larracey, Editor, Moncton Times and Transcript

2. An Economist Looks at Maritime Union

   John F. Graham, Professor of Economics, Dalhousie Unversity

3. Atlantic Union: Some Constitutional Considerations

   William F. Ryan, Q.C., Dean of Law, University of New Brunswick

4. An Educationalist Looks at Maritime Union

   L. H. Cragg, President, Mount Allison University

5. An Industrialist Looks at Maritime Union

   R. Whidden Ganong, President, Ganong Brothers Ltd. (former APEC President)

6. Union Within the Atlantic Region

   Nelson Mann, Executive Vice-President, APEC

7. An Acadian Viewpoint on the Union of the Maritime Provinces

   Jean Cadieux, Director, School of Commerce, Universite de Moncton

   Comments: M. Alexandre-J. Boudreau, Director of Extension, Universite de Moncton

   C. E. Leger, Barrister, Moncton

   M. Martin, Director of Agencies, L'Association assomption

8. Voluntary and Offical Cooperation in the Atlantic Provinces

   Guy Henson, Director, Institute of Public Affairs, Dalhousie University

Rather than detailing all the positions held by the Conference participants, a few interesting points brought up about inter-provincial cooperation can be summarized. Professor Hugh Thorburn's address outlined three distinct disadvantages in creating one sovereign province out of the three Maritime provinces:

1. Representation in the federal government would decrease as a result of union. No single province with 10 percent of the nation's population could claim 30 percent of the seats in the Senate as the Maritime provinces had. This in turn would decrease the region's representation in the House of Commons, because two of the four Atlantic provinces were already over-represented in the House. The region would likely lose some of their MPs to align their representation with that in the Senate.
2. Representation at federal-provincial conferences would decline. Rather then four voices out of ten, the united Maritime provinces would have only one voice out of seven.
3. The special position of Prince Edward Island would vanish. As Professor Thorburn stated, "The habit of giving it special consideration would have no prior basis than would a special treatment of Manitoulin Island, Vancouver Island or Baffin Island."[45]

Guy Henson spoke on internal and external pressure for the Maritime/Atlantic provinces to cooperate. Mr. Henson presented three factors in internal cooperation. They are:

1. Size: Economies of scale were achieved through cooperation, such as in health and welfare institutions.
2. Quality of Service: Mr. Henson cited the Atlantic Examining Board (previously the Common Examining Board of the Maritime Provinces and Newfoundland, established in 1931) which sought to create a higher quality and uniform system of education in the region.
3. Uniformity and Simplicity of Administration: This created a sense of satisfaction and common interest among the public servants of the three/four provinces.[46]

The external pressure to cooperate, Mr. Henson felt, was the desire to advance and protect the region's interests in the Canadian Confederation. He cited the Maritime Transportation Commission as an example of this.

The Acadian attitudes were similary divided between the advantages and disadvantages of union. Jean Cadieux argued that union was an attempt to assimilate the Acadian population in a larger anglophone community. He noted that Acadians at that time represented 38.8 percent of the population of New Brunswick and, therefore, had enough of a presence to get special concessions from the government. However, in a single Maritime province, the Acadians would only represent 15 percent of the population. He doubted if this smaller population could have any influence in the new province.[47]

Alexandre Boudreau disagreed with Mr. Cadieux's conclusion. As he stated:

> Provided that in the terms of union the aspirations, culturally, intellectually and otherwise of the French-speaking population of the Maritimes are recognized and guaranteed--and all Acadians require that--I believe that the great majority of Acadians would look at Maritime Union mostly in terms of economics...if that is good economically, and if it gives us more pull politically...I believe that the majority of Acadians would favour Maritime Union.[48]

The Acadian population was going through a great change at this time, much like Quebec's Quiet Revolution. An Acadian renaissance had begun in the early 1960s (for example, the Universite de Moncton was established in 1963) and a neo-Acadian nationalism was becoming evident.

According to Professor Phillipe Doucet of the Universite de Moncton, one could characterize the Acadian population at that time as being divided into two distinct categories.[49] The first group represented the so-called ordinary Acadians (fishermen, farmers) who were not concerned with Maritime union. Their priorities were economic in nature, and if union solved their problems, they would have been in favour of it.

The second group represented the professional Acadians (doctors, lawyers). According to Professor Doucet, they felt the "thought of being submerged in one big Atlantic or Maritime province was somewhat disquieting."[50] They feared the repercussions of union, such as the loss of linguistic, cultural and political influence.

Within this last group, there was a further division in political sentiments. This was especially visible in New Brunswick which had the largest Acadian population. The older professionals had built up a certain amount of influence and had a vested interest in maintaining the status quo in their province. Professor Doucet characterized their form of nationalism as a conservative one. On the other side were the students, who saw the Acadian situation differently. They believed the old system would never work and that structural changes in the political system were necessary.

Therefore, the Acadian population in the mid-1960s was divided. The aggressive (at times radical) young Acadians pressed for quick reforms to achieve greater influence. They were pitted against "la patant," the conservative element. This group was perceived by the younger generation as manipulative and motivated by self-interest. Because of these volatile circumstances, any discussion of greater Maritime cooperation or union would have to take into serious consideration the needs and aspirations of the Acadian population.

THE JOINT LEGISLATIVE RESOLUTIONS, FEBRUARY 16 AND 25, 1965

As agreed at the 1964 Premiers Conference, Premiers Robichaud and Stanfield presented a resolution to their Legislatures that a study be undertaken to determine the advantages and disadvantages of union of the two provinces. Both Legislatures discussed the Resolutions, free of party discipline, and unanimously accepted the Resolutions in a free vote. Nova Scotia's resolution was passed on February 16 and New Brunswick's on February 25.

On May 20, 1965, Fred Drummie, the Economic Adviser to the Government of New Brunswick, outlined the format for the proposed study in a memorandum to Premiers Robichaud and Stanfield.[51]

The memorandum outlined three considerations in establishing the study group. First, it summarized the decisions required before a study group could be set up (such as financing, membership of study group, administrative arrangements). Second, the memorandum set out a proposal for the study's terms of reference. Finally, it discussed the ways in which the study could be organized and financed. For example, it could take the form of a joint royal commission, a Cabinet committee, a committee of Deputy Ministers, an informal study group or a "Foundation."

The proposed areas of study can be summarized as follows:

1. Introduction
   - Environmental Conditions
   - Historical Development
2. Constitutional and Political Systems
3. Public Policy
   - Business (a) services
     (b) influence and control by all governments
     (c) encouragement and promotion by all governments
   - Labour (a) influence and control by all governments
     (b) protection and assistance
     (c) relations with business

- Local Government (a) assistance by all senior governments
    - (b) administration of local services by provincial and local governments
    - (c) influence and control by all senior governments
    - (d) promotion by senior governments
- Private Voluntary Agencies (a) assistance and promotion
    - (b) type of influence over policy
- Education (a) influence and control by all governments
    - (b) services by provincial and local governments
    - (c) assistance and promotion
- University (a) assistance by all governments
    - (b) influence and control over policy
- Cultural Activities (a) assistance and promotion by governments
- Welfare (a) assistance and services provided by all governments
- Health (a) services provided by all governments
    - (b) influence and control by all governments
    - (c) assistance by all governments
- Resources (a) influence and control by all governments
    - (b) conservation and development by all governments
- Transportation and Communications (a) services provided by all governments
    - (b) influence and control by all governments
    - (c) assistance by all governments
- Justice (a) services provided by all governments
- Finance and Economic Policy (a) financial policies of all governments
    - (b) economic policies of all governments

4. Impact of Changes in Public Policy on Private Sector .
    - (a) business
    - (b) labour
    - (c) religious organizations
    - (d) private voluntary organizations

(e) individuals and the community

5. Public Administration
    (a) policy formulation process
    (b) central machinery
    (c) personnel policies
    (d) department structure and processes

Mr. Drummie's memorandum reached the tentative conclusion that a joint commission or foundation approach was "the most logical choice" in terms of promoting public participation and coordination within the governments. He felt the foundation approach provided for "greater continuity, both politically and financially."[52] On the other hand, Mr. Drummie felt that if public participation was not of concern in the preliminary stages of the study, an informal study group would be an appropriate vehicle.

THE ATLANTIC PAVILION AT EXPO '67

On February 24, 1965, the four Atlantic Premiers announced their intention to jointly fund an Atlantic Pavilion at the 1967 World's Fair in Montreal (Expo '67). As early as the summer of 1964 an informal agreement had been reached among the four Deputy Ministers of Industry. In January of 1965, the Premiers had finally reached an agreement, and the February announcement in their Legislatures dealt with provincial contributions to the project.[53]

The total cost of the pavilion was expected to be $1 million. Provincial contributions were as follows:

New Brunswick	$ 350,000
Newfoundland	150,000
Nova Scotia	450,000
Prince Edward Island	50,000
	$1,000,000

Contributions were not calculated on a per capita basis because, as Premier Stanfield stated, allowances had to be made "for differences in per capita income and distance from Expo '67" of the four provinces.[54]

Key players in the discussions over the pavilion were Mr. Robert F. Shaw, Expo's Deputy Commissioner-General, and Major-General E. C. Plow, the Atlantic Regional Director of Expo. Mr. Shaw had originally approached the four provinces for individual pavilions. He had pointed out to the provinces that the cost of individual participation would be quite high, and therefore, cooperation appeared to be the most viable option. Major-General Plow conducted the negotiations with the four governments. He also publicly announced the tentative agreement of the Deputy Ministers in July of 1964. Between that time and the formal announcement, the Toronto firm Inter-Design Limited had been hired by the Government of Nova Scotia to study the project, and report to a meeting of provincial representatives that joint participation was the only economically viable option.

Upon reaching a formal agreement, each provincial legislature passed "An Act to Incorporate the Atlantic Provinces Pavilion Limited" establishing the administrative structure of the pavilion. A Board of Directors was appointed, consisting of the New Brunswick Finance and Industry Minister, L. G. DesBrisay; Premier Smallwood of Newfoundland; the Nova Scotia Trade and Industry Minister, W. S. K. Jones; and J. David Stewart, the Prince Edward Island Provincial Secretary. All decisions of the Board were to be unanimous. The Nova Scotia Department of Trade and Industry originally assumed the general task of administration, and frequent meetings of the Ministers and Deputy Ministers were held to ensure that each province exercised a supervisory function.

The pavilion's senior administrative staff were Rear-Admiral H. F. Pullen, Deputy Commissioner, and Mr. Robert Pichette, Assistant Deputy Commissioner. These men eventually assumed most of the administrative functions previously handled by the Nova Scotia Department of Trade and Industry. The Commissioner-General of the Atlantic Provinces Pavilion was Mr. W. S. K. Jones, Minister of Trade and Industry of Nova Scotia. Upon completion, the pavilion cost $1,652,600 and had a total floor area of 16,700 square feet.

TRANSPORTATION MATTERS

On March 30, 1965, the Chairman of the Maritime Transportation Commission, Mr. J. M. Crosby, met with Federal Transport Minister, Jack Pickersgill. The purpose of the meeting was to emphasize the importance the region placed on the adequate protection against freight rate increases. Mr. Crosby pointed out the need for a comprehensive study on the transportation situation in the region. Mr. Crosby also met with the Parliamentary Committee studying the proposed National Transportation Act, Bill C-120.

Mr. Pickersgill apparently heeded Mr. Crosby's words. The terms of reference for the Atlantic Provinces Transportation Study were announced in June.[55] Later, at the Federal-Provincial Conference of July 19-22, 1965, both the Atlantic and Western Premiers met with the Prime Minister, Mr. Pickersgill and other federal Cabinet Ministers to discuss Bill C-120. It was agreed that the solution would be worked out by the MTC and Prairie provinces in consultation with personnel in the federal Department of Transport. The provinces hired transportation consultants Dr. George Borts of Brown University in Rhode Island and Dr. Ernest J. Williams Jr. of Columbia University in New York to prepare their case to the federal government.

THE PRINCE EDWARD ISLAND CAUSEWAY

On July 8, 1965, Prime Minister Lester Pearson announced that the federal government would finance the construction of a causeway between the mainland and Prince Edward Island. He had first expressed approval of the idea after the 1963 federal election by stating that his Liberal Government would not go back on Diefenbaker's promise to construct the causeway.[56]

Prime Minister Pearson's announcement called for tenders for the construction of a causeway expected to cost $148 million. It was to incorporate a causeway-bridge-tunnel complex with provision for a two-lane highway and a railway. It was expected to be completed by 1970.

Premier Shaw of Prince Edward Island had been pressing the Atlantic provinces to endorse the project. As previously stated, he campaigned in 1959 on the platform of getting the federal government to build a causeway.

Actual construction of the causeway began on November 4, 1965, when the federal Mines Minister, Watson MacNaught (MP from Prince County in P.E.I.), broke ground for the highway and railway approach near Cape Tormentine, New Brunswick.

The project would have exclusive benefit to the Island, and therefore, the provincial government supported the idea. In a speech to a meeting of the Maritime Provinces Board of Trade in Charlottetown on June 6, 1967, Premier Campbell stated:

> The Northumberland Strait Crossing will provide the ingredients necessary for instant communication between what we have traditionally called the Maritime provinces. Mainland industries and universities will be placed at our doorstep; the crossing will provide a vital link in the Maritime Power Grid; residents of Halifax and Fredericton will be within a convenient four-hour drive of our summer resorts....[57]

The Chignecto Canal project did not get beyond the proposal stage. Both the Corridor Road and causeway will be discussed again later in this report.

TRADE PROPOSALS

On September 20 and 21, 1965, in Boston, the New England Council and APEC held a joint economic conference. The two Councils discussed investment prospects in the Atlantic provinces and the effect new regulations encouraging freer trade would have on the economy of the two regions. The Canadian delegation was led by APEC Executive Vice-President Nelson Mann and included about a dozen other delegates.

The idea of a North Atlantic Development Council or Common Market was again proposed as an agenda item of the 1965 Atlantic Premiers Conference by Premier Shaw of Prince Edward Island. Premier Shaw was responding to the proposal of John T. McCarthy, Commissioner of Administration for Massachusetts. In a speech to the Annapolis Valley Board of Trade at Kentville on October 16, 1965, Mr. McCarthy said he would recommend to Governor Volpe of Massachusetts the organization of a study committee representing the Nova Scotia and Massachusetts governments and Chambers of Commerce. Premiers

Stanfield and Robichaud had already expressed an interest in the idea of establishing a common market.[58]

THE ATLANTIC PREMIERS CONFERENCE
CHARLOTTETOWN, PRINCE EDWARD ISLAND, NOVEMBER 22, 1965

Participants at the 1965 Conference included Premiers Robichaud, Stanfield and Shaw. Premier Smallwood was unable to attend the Conference as he was in Europe. Premier Smallwood sent his Finance Minister, Dr. F. W. Rowe, to act on his behalf. Topics for dicussion were:

1. Premier Stanfield's proposal for portable and reciprocal university grants;
2. Premier Stanfield's proposal to ask the federal government to ease credit restrictions in the region;
3. Offshore mineral rights in view of the federal government's referral of the question of ownership to the Supreme Court;
4. The Canada Pension Plan;
5. The submission by the MTC regarding the consultants' study on the effects of Bill C-120 on the transportation system in Atlantic Canada;
6. The report of Atlantic Provinces House in London, U.K.; and
7. The proposed study of the feasibility of union of New Brunswick and Nova Scotia.[59]

The proposal for reciprocal grants had probably arisen because of the problems some Nova Scotia universities had been having in receiving contributions from other provinces. New Brunswick had been considering the establishment of its own medical school at the University of New Brunswick and was in the process of reorganizing its university grants structure.

Credit restrictions were of serious concern to the region due to the effects they had on municipal bond issues, as well as on business and personal mortgages. This problem had already been recognized in the Cairncross Report. One of the report's recommendations was that the federal government should urge the banks not to limit funds in the region.

The Premiers unanimously approved both proposals in principle. They asked the Association of Atlantic Universities to study the implementation of reciprocal grants. According to the communique issued at the end of the Conference:

> The rapid expansion in the field of higher education... presented an immediate problem and that it was most desirable that the four Atlantic provinces arrive at some common approach to it.[60]

It was also decided that all forms of credit restrictions existing in other parts of Canada should not apply in the Atlantic region. The four Atlantic Ministers of Finance were to present this common point of view to the federal Finance Minister at the Federal-Provincial Conference of December 9-10.

The offshore mineral rights remained an item of great interest: the Premiers upheld their agreement over provincial ownership, as well as the map presented to the Prime Minister at the Federal-Provincial Conference of October 14-15, 1964. According to Premier Stanfield, the Premiers had remained "in perfect agreement" over their claims.[61] However, the provinces differed in their positions with respect to the federal government's referral of the ownership question to the Supreme Court. According to Dr. Rowe, Newfoundland supported the referral because they were "optimistic the federal government will be most generous." He also noted:

> We like the Prime Minister's attitude that regardless of what the Supreme Court says, the federal government will sit down with us and resolve the matter to the satisfaction of the provinces.[62]

However, both Nova Scotia and Prince Edward Island questioned this position. As Premier Shaw stated:

> I just hope Dr. Rowe is right. The question is how generous the federal government is going to be. If Ottawa's going to give us the rights anyway, why bother to refer the matter to the Supreme Court?[63]

Premier Stanfield felt that the federal government had been overstepping its bounds by already granting licences to exploration companies off the coast of Nova Scotia.

The other items of discussion were concluded without any disagreement. The Premiers expressed their continued support for Atlantic Provinces House, and offered the Agent General some (unpublished) suggestions for improvement. It was also agreed that increased trade with New England was desirable, but that a legal opinion was needed regarding the constitutional legality of free trade between the two regions. The Attorney General of each province was asked to investigate the possibilities of the proposal. The Atlantic Provinces Research Board was also granted increased funds by the Premiers. Finally, it was reported that the committee to study the feasibility of union between New Brunswick and Nova Scotia had not been set up, but that Premier Stanfield had been directed to approach a person to head the study.

The reaction to the Conference was mixed. The Conference communique stated:

> The Conference again showed that there are common problems facing each province in the Atlantic region and there was a willingness on the part of each province to approach these problems on a common front.[64].

On the other hand, the Truro Daily News reported that while the "first Conference gave birth to APEC [i]ts subsequent annual labours have not been notably productive."[65] While this opinion may not have been representative of the popular reaction to the Atlantic Premiers Conferences, it remains an indication of the much wider cooperation that could be achieved.

CONCLUSION

The period from 1962 to 1965 marked the beginning of a concerted effort of both the federal and Atlantic provincial governments to alleviate the problems of regional disparities. The establishment of the Atlantic Development Board offered the Premiers a means to work with the federal government to stimulate investment and industrial development in the region. Much remained to be accomplished, however, in terms of achieving a common voice on issues of importance to the region.

CHAPTER 4

BUILDING MARITIME REGIONAL CONSENSUS, 1966-1971

INTRODUCTION

The final period of examination, from 1966 to 1971, was substantially different from the previous periods. The Government of Newfoundland took a less active role in the discussions among the Atlantic Premiers, except in the area of national transportation and social welfare schemes. The other Premiers' discussions centred around the need for increased cooperation of their three governments, which was under examination by the Maritime Union Study.

The three Maritime Premiers began to move toward a more structured form of collaboration. Interprovincial cabinet committees studying transportation, education, social welfare and trade promotion replaced the ad hoc committees which characterized the previous periods. The Maritime provincial governments were attempting to present a unified voice in the redefinition of the Canadian federation.

This period of cooperative activity led to the establishment of the Council of Maritime Premiers, a formal structure for regional collaboration and consensus-building.

HEALTH AND WELFARE SERVICES

As stated earlier, the Interprovincial Health Planning Committee of the Atlantic Provinces was established in 1949 by agreement of the four provincial Ministers of Health. Its primary purpose was to organize and give financial support to various training programs for health personnel in the region. This training was of a paramedical nature, and usually involved post-graduate work at the schools located at Dalhousie University.

It was also decided at this time that all salaries, travel costs and equipment costs for these schools would be borne by all four provinces, and distributed on a per capita basis.

The committee was made up of two representatives appointed by each Minister of Health (it was really a Committee of the Deputy Ministers of Health) and usually met twice a year. The committee discussed the operation of the various training programs and the expenditures and budgets of these schools (Dalhousie's Schools of Medicine, Nursing, Physiotherapy, Dental Hygiene, Psychiatry and the Maritime School of Social Work). Budget recommendations were also prepared for the Ministers' approval. The committee also discussed the health problems common to the region and uniform methods of approaching these problems.

This body was established mainly due to the recognition that the small population base of the region did not permit the duplication of expensive facilities in medical education. It was also largely a product of a federal government initiative and operated solely through federal financial support. This situation arose from the National Health Grants Program which began in 1949 to upgrade the delivery of health services in Canada. The Health Planning Committee, therefore, was the region's response to the creation of these grants.[1]

Problems had existed in the committee from the start as regional health concerns were impossible to resolve in the committee. The committee served better as a forum for discussion and was never able to resolve such questions as the mobility of hospital insurance between the provinces.[2]

In 1966, another regional body was established to respond to a federal initiative. The Regional Committee of the Atlantic Provinces on the Health Resources Fund was created to assist the provinces in the acquisition, construction and renovation of health training facilities and research institutions. It too met twice yearly to study in detail all proposals for assistance toward construction projects for health training and research facilities, as well as to consider financial requests to cover equipment purchasing costs at these institutions. Between 1966 and 1971, the Regional Committee made recommendations for financial assistance for a number of health care facilities. These were:

1. The Sir Charles Tupper Medical Building (Halifax)
2. New Brunswick School of Nursing (Fredericton)
3. New Brunswick School of Nursing (Moncton)
4. Memorial University (St. John's)
5. P.E.I. Technical Training Laboratory (Charlottetown)
6. Victoria General Hospital Extension (Halifax)
7. Children's Hospital (Halifax)
8. Rehabilitation Centre (Halifax)

One hundred percent of the funds spent on these facilities was recoverable from the federal government and, therefore, there was no provincial participation in their financing. Provincial participation only went so far as the preparation of project proposals and project claims. Both these committees were federally-driven; they would cease to exist if federal financial assistance was removed.[3]

The region was unsuccessful in establishing a provincially-driven agency. The Atlantic Provinces Interprovincial Secretariat to coordinate training programs for hospital personnel failed to be established due to the implications associated with the development of a semi-autonomous regional agency, financed solely by the provinces. These implications mainly were the loss of provincial control over the planning and development of such training facilities and, therefore, the loss of control over the total costs of such facilities.[4]

Nevertheless, cooperation in the health services and social welfare fields was quite extensive. In welfare services, officials in each province consulted each other in the development of policies and legislation. As Mr. Eugene MacDonald, former Director of Child Welfare in Prince Edward Island, recently stated, "We knew one another, we cooperated with one another."[5] To this end, they developed some semblance of uniformity of child welfare legislation, or at least worked towards it. According to Mr. MacDonald, these arrangements "were not formalized by way of paper" but each province tried to accommodate the needs of the others.[6]

A more formalized form of cooperation was achieved in the 1965-66 Fiscal Year. The Halifax School for the Blind was a privately-run organization serving as a regional centre for the education of blind children.[7] The Governments of New Brunswick and Prince Edward Island were responsible for all education costs for children from their own provinces. In 1965, $520,000 was required for improvements and repairs, and the four provinces agreed to provide assistance for these improvements, as well as their own per-student grants. In five equal installments beginning in 1965/66, the provinces contributed the following amounts to the school:

New Brunswick	27%
Newfoundland	22%
Nova Scotia	48%
Prince Edward Island	3%

At the same time, Nova Scotia restructured the Board of Managers to reflect the interprovincial cooperation achieved at the school. The 19-member Board consisted of 2 representatives each appointed by the governments of Newfoundland, New Brunswick and Nova Scotia, 1 member appointed by the government of Prince Edward Island and 12 other members elected privately. Therefore, while this institution remained privately constituted, its operation reflected cooperation among the Atlantic provinces.

THE ATLANTIC TIDAL POWER PROGRAMMING BOARD AND THE ATLANTIC TIDAL POWER ENGINEERING AND MANAGEMENT COMMITTEE

These bodies were established by an agreement signed by the Governments of Canada, New Brunswick, and Nova Scotia in August 1966.

The Atlantic Tidal Power Programming Board (ATPPB) was a five-man Board appointed by the departments and agencies of the three governments to study the possibilities of economical power development of the Bay of Fundy tides. Its members were:

Canada:	C. M. Isbister, Deputy Minister, Department of Mines and Technical Surveys (Chairman)
	E. P. Weeks, Executive Director, Atlantic Development Board
	T. M. Patterson, Acting Director, Water Resources Branch, Department of Mines & Technical Surveys
New Brunswick:	R. E. Tweeddale, General Manager, New Brunswick Electric Power Commission
Nova Scotia:	L. F. Kirkpatrick, General Manager, Nova Scotia Power Commission

The ATPPB was directed, within a total estimated cost of $1.5 million, to report on the initial studies and surveys of the physical and economic potential of developing tidal power and its transmission to Canadian and American markets.[8]

The Atlantic Tidal Power Engineering and Management Committee (ATPEMC) was a five-man committee appointed similarly to the ATPPB. Its members were:

Canada:	R. H. Clark, Chief, Planning Division, Water Resources Branch, Department of Mines and Technical Surveys (Chairman)
	C. K. Hurst, Chief, Maintenance and Operations, Harbours and Rivers Engineering Branch, Department of Public Works
	G. M. MacNabb, Senior Engineer, Water Resources Branch, Department of Mines and Technical Surveys
New Brunswick:	L. E. Dargavel, Assistant Chief Engineer, New Brunswick Power Commission
Nova Scotia:	G. D. Mader, Chief Engineer, Nova Scotia Power Commission

The ATPEMC was responsible, under the general guidance of the ATPPB, to carry out technical and economic studies and surveys by employing a study director and other specialists and personnel.[9]

On December 10, 1968, the Agreement was extended to June of 1969, in recognition of the magnitude of the projects and the need for further assessment of the field results, project designs, and market possibilities. As well, appropriations increased from $1.5 million to $2.5 million.

Four sub-committees of the ATPEMC were established: Navigation, Ground Transportation, Fisheries, and Area Development. Members of these sub-committees were drawn from the appropriate government agencies.

On October 24, 1969, the ATPEMC's report was submitted to the ATPPB for its approval. Some of the important conclusions of the ATPPB, submitted to the three governments were as follows:

1. Three of the 23 sites examined offered possibilities for economical power development. They were at the entrances of Shepody Bay, the Cumberland Basin and Cobequid Bay.
2. The Cobequid Bay site would have an economic advantage over the other sites.
3. The effects tidal power development would have on navigation, transportation, fisheries and regional development would not alter the decision on the economic merits of the development.
4. The economic development of Fundy tidal power was not feasible under prevailing conditions.[10]

THE ATLANTIC PREMIERS CONFERENCE
ST. JOHN'S, NEWFOUNDLAND, NOVEMBER 28, 1966

Before discussing the 1966 Atlantic Premiers Conference, it is necessary first to outline the important change that had occurred since the 1965 Conference. On July 28, 1966, Alexander B. Campbell became Premier of Prince Edward Island after defeating Walter Shaw in the provincial election.

Premier Campbell brought a new style of government to Prince Edward Island. Before the 1966 election, the province's bureaucracy had resembled a 'mandarinate', similar to the style of government in the federal civil service of the 1940s and 1950s. Premier Campbell's administration was 'technocratic', in response to the kinds of changes that were required in the province at that time.

The Campbell administration's modern approach to government included the hiring of technical consultants. Acres Planning had been hired by the Shaw administration to do a number of background studies on the Island economy. Premier Campbell used these studies in the formulation of a development plan. However, Islanders who had previously been used to the relatively traditional and conservative state of the province's political affairs began to be concerned with the changes underway on the Island. For example, religion became a political issue in Prince Edward Island after the amalgamation of the Roman Catholic college (St. Dunstan's) and the non-denominational college (Prince of Wales) into the University of Prince Edward Island in April 1969. It was social issues such as these that the Campbell administration had to handle.

Premier Campbell also had to deal with the economic problems of his province. In a recent interview, the former Premier described the two basic problems his government hoped to solve through cooperation with the other Atlantic (or Maritime) provinces. The first problem resulted from the fiscal arrangements with the federal government. Because Ottawa received all the tax dollars, the Atlantic provinces had problems in making up their share of the various cost-shared programs, such as those made under the ARDA agreements. Premier Campbell said Prince Edward Island occasionally had to refuse a number of these programs because the province couldn't come up with 50 percent of the cost of these programs.

The second problem was related to a number of national policies. Premier Campbell felt that some of these policies were not specifically designed to create regional opportunities. He felt a joint effort of the federal and Maritime governments to put together a number of strategic policies on a regional basis was required, yet Ottawa favoured bilateral policies and negotiations.[11]

Premier Campbell favoured regional cooperation as had Premier Shaw before him. However, Premier Shaw had an aversion to political union or any sort of formalized relationship to achieve cooperation. As early as 1965, in a letter to the editor of a Charlottetown newspaper, Premier Campbell called for closer participation with New Brunswick and Nova Scotia in a more formalized manner.[12] Prior to the 1966 Atlantic Premiers Conference, Premier Campbell announced that "if Nova Scotia and New Brunswick are going to continue to discuss Maritime union, this government will appoint representatives to participate in the discussions."[13]

Premier Campbell had this included on the agenda of the 1966 Atlantic Premiers Conference. Other items to be discussed were the corridor road, the expansion of the interprovincial power grid, transportation and industrial development.

It was unfortunate, therefore, that the 1966 Conference was cancelled, not by the unwillingness of the Premiers to participate, but because of the weather's unwillingness to cooperate. A heavy fog on the day prior to the Conference prevented any planes from flying into or out of St. John's. After a series of telephone conversations, Premier Smallwood announced that the Conference would be postponed until December. However, this date was never settled on and the 1966 Conference was never held. The 1965 Atlantic Premiers Conference, therefore, was the last meeting in which the four Premiers met to discuss regional initiatives. Premier Smallwood of Newfoundland would not attend subsequent conferences. It was mainly left up to the Maritime provinces to forge stronger cooperative links in future years.

The major concern of the MTC's report to the Conference was Bill C-231 (the successor to the federal government's Bill C-120). The MTC felt that the new Bill failed to provide a more realistic maximum rate ceiling for shippers. The MTC also reported that the Atlantic Provinces Transportation Study had been reorganized and its terms of reference revised. The Economist Intelligence Unit of London, England, responsible for completing the study, had set a target date of January 31, 1967, for its completion. The MTC had been in close contact with the consultants, but otherwise had no knowledge of the contents of the report.[14]

On May 30, 1967, the federal Department of Transport's "Atlantic Provinces Transportation Study" was released. It was 1,174 pages in length and was divided into 12 volumes. The MTC felt that the report did not accurately reflect the state of Atlantic Canada's transportation system and did not present any positive or practical solutions.[15] Because of this, transportation would once again take precedence on the Atlantic Premiers Conference agenda.

MARITIME UNION

As decided at the 1965 Atlantic Premiers Conference, Premier Stanfield of Nova Scotia was directed to find a suitable person to head a study of the feasibility of union of New Brunswick and Nova Scotia.

Premier Robichaud had discussed membership on the study group with Dr. John Deutsch, Chairman of the Economic Council of Canada. Dr. Deutsch had suggested Mr. Justice Abbott as Chairman with Mr. Burns and Mr. Carter as two other members of the study group. According to Premier Robichaud, the Premiers were looking for people "of judgment and stature."[16] Until a suitable candidate was found, the Premiers continued to look and the study did not progress any further.

On September 13, 1967, Robert Stanfield resigned as Premier of Nova Scotia to assume the leadership of the federal Conservative Party. The new Premier of Nova Scotia was Mr. George I. (Ike) Smith. He, too, took up the task of finding a suitable candidate to lead the union study.

The union study took one step closer to realization when Premier Campbell announced on November 25, 1967, that he would seek the approval of the Legislature to join the Maritime Union Study.

THE ATLANTIC PREMIERS CONFERENCE
TORONTO, ONTARIO, NOVEMBER 25, 1967

This Conference preceded the interprovincial "Confederation of Tomorrow" Conference called by Premier Robarts of Ontario. Premiers Robichaud, Smith and Campbell attended the Atlantic Premiers Conference. Premier Smallwood had made his last appearance at the 1964 Atlantic Premiers Conference, and Newfoundland was not represented at the 1967 Conference. However, the Conference was still called the Atlantic Premiers Conference.

The Premiers received reports from APEC (presented by Mr. Gilbert Finn, President, and Mr. Nelson Mann, Executive Vice-President), the MTC (presented by

Mr. J. M. Crosby, President, and Mr. Craig Dickson, Executive Manager), and a report from the APRB.

APEC's report called for

> ...the need for all planning agencies, both federal and provincial, to agree upon a common planning concept, to carefully define development objectives and to prepare a common strategy for the development of the region.[17]

APEC believed this was "absolutely necessary to prevent a conflict and to ensure that all programs and policies are directed to some common objective."[18]

APEC also expressed concern over the federal government's restrictive monetary and fiscal policies which had been designed to curb inflation and balance the federal budget. APEC felt that these policies might reduce the flow of investment and employment into the Atlantic region, thereby increasing the development gap between the region and Central Canada. APEC called for selective national monetary and fiscal policies. While fiscal and monetary policies would be restrictive in other parts of Canada, APEC proposed that the federal government exempt the Atlantic region from "the full force of these restrictions."[19]

The MTC report expressed concern over the railways' introduction of a single scale of rates to apply to all non-carload shipments. The MTC noted that this rate fell heavily on manufacturers and consumers in the Atlantic region. They recommended that the railways should not substitute the present western rates for less-than-carload freight moving within selected territory. The MTC believed the less-than-carload rate be kept in force and that the railways not be allowed to cancel the western rates.

Furthermore, the MTC recommended that the Premiers meet with federal Transport Minister Hellyer to request that he withdraw the condition that the proposed reduction be conditional on the Canadian Transport Commission granting permission to cancel the less-than-carload rate. The MTC also recommended that the Premiers request the Transport Minister to maintain the less-than-carload rates until the government had a chance to act upon the Atlantic Provinces Transportation Study.

The MTC also asked that the Premiers consider making representations to the Canadian Transport Commission's public hearings on cost regulations for use in branch line abandonments, passenger train discontinuances, minimum and maximum rates and other costing functions. These hearings were to begin in 1968.[20]

The APRB's report concluded that a number of policy issues needed resolution if its future activities were to be useful and meaningful. The APRB felt that its role needed clarification in view of the rapid increase in economic research activities in the 1960s. The APRB also noted that regional research and planning efforts were increasingly being assumed at the national level (since the creation of the Atlantic Development Board) which necessitated a regional response. However, there were no mechanisms in place to achieve a regional response agreed to by the provinces. Finally, it suggested that the membership of its Board of Directors be reconsidered given the issues noted above.[21]

The Premiers' discussions centred around these recommendations as well as on equalization, Medicare and the Maritime Union Study. The decisions reached at this lengthy meeting were:

1. The Premiers deplored the "glaring disparities" in the levels of services among the regions of Canada and urged a greater use of fiscal equalization payments to bring these services up to national standards. Consequently, the Premiers urged that the federal government maintain control over its tax fields to be able to make these payments. This was in opposition to the position of Ontario, Quebec and British Columbia at the Confederation of Tomorrow Conference.

2. The Premiers agreed to meet with Transport Minister Hellyer, as well as representatives of the CNR, CPR and Canadian Transport Commission, to discuss corrective action regarding the less-than-carload rates.

3. The Premiers directed the APRB to suggest ways in which the region could achieve greater coordination and inter-relatedness of the provinces' development agencies.

4. The Premiers agreed that the federal government must maintain high expenditures on public works and capital projects in the region to accelerate development.

5. The Premiers agreed to urge the federal government to extend the benefits of the Maritime Freight Rates Act to other modes of transportation.

6. The Premiers agreed to hold other intergovernmental meetings on the subject of Medicare in the coming months. Their concern was that the federal government would reduce its spending on regional development to make up for the increased spending on Medicare.

7. A Chairman of the union study had been chosen, but his name was not divulged pending his acceptance.[22]

THE ATLANTIC PREMIERS CONFERENCE
OTTAWA, ONTARIO, FEBRUARY 6, 1968

Once again, the three Maritime Premiers--Premier Smallwood again was absent and did not send a representative--met prior to the Federal-Provincial Constitutional Conference. The items on the agenda of this Conference were follow-ups to those discussed at the November Conference. Besides discussing the union study, transportation issues and economic planning, the Premiers received a report from the APRB presented by Delbert Gallagher, the Chairman, on ways to coordinate economic planning in the region.

The APRB's report recommended the following:

1. The establishment of an Atlantic Premiers' Policy Advisory Secretariat: it would be composed, at least initially, of one senior civil servant from each province possessing familiarity with, and access to, provincial economic policy processes at the highest levels of provincial departments and agencies.

2. The establishment of a small, but highly competent, professional support staff headed by a director: it would serve the requirements of the Secretariat.

3. The Secretariat would be:

   a) Responsible for the functions allocated to the APRB to the extent that these functions were still relevant.
   b) Responsible for participating fully with the ADB in the formulation of its activities in the region.

c) Responsible for initiating the development of approaches to a number of critical regional interests, such as transportation and administrative integration.
d) Responsible for other matters of regional concern referred to it by the Premiers.

4. To direct staff contributions from provincial establishments.

5. To request financial assistance from the ADB to support the provinces in the development of a planning and program development capability.[23]

From the discussions over these recommendations, the Premiers decided that the APRB's report be circulated among designated provincial government officials, who would be responsible for coordinating the internal discussions of this report. Once a consensus was reached, the APRB would seek approval of the Premiers to establish the Policy Advisory Secretariat.

The Maritime Union Study was also discussed. As reported in the press, "cooperation, rather than Maritime union, was the key word."[24] It was also reported that some of the members of the provincial governments regarded political union as impractical and, therefore, would not support a union proposal. The Premiers also met with a man to seek his services as the Chairman of the Study. Again, his name was not divulged, but Premier Smith reported to the press that he was:

> an outstanding Canadian who has had a good grasp of government as a whole, the relations between the federal and provincial levels, and development in various parts of the country and whose conclusions would carry a good deal of persuasive force.[25]

It was also revealed to the press that the gentleman was not a Maritimer. The Premiers felt that if he was from the region, his study could be biased in favour of the province of his birth. The Premiers also reported that they had not received an immediate reply from him, but that they expected one shortly.

The man asked to head the Maritime Union Study was Dr. John Deutsch, Chairman of the Economic Council of Canada. In a letter dated December 5, 1967, Premier Smith asked Dr. Deutsch to head the study.[26] In fact, the February 6th

Conference was called at the request of Dr. Deutsch: he had just been made the President-elect of Queen's University, but was willing to head the study.

On March 26, 1968, the Premiers of New Brunswick, Nova Scotia and Prince Edward Island made the following statements in their respective Legislatures:

> The Premiers of Nova Scotia, Prince Edward Island, and New Brunswick have agreed to sponsor a special study on Maritime union including the possibilities for economic and other forms of regional coordination and cooperation.
>
> Dr. J. J. Deutsch, Principal of Queen's University and formerly Chairman of the Economic Council of Canada, has agreed to assist in organizing the study, to supervise it and to act as special advisor. In addition, he will participate in the formulation of any recommendations and reports.
>
> Mr. F. R. Drummie, Economic Advisor to the New Brunswick government, has been appointed as Executive Director of the study and will be responsible for the coordination of efforts by the various governments as well as special studies and investigations as required. Mr. Drummie has been granted, for the duration of the study, a leave of absence from his various responsiblities with the New Brunswick government.
>
> Each of the governments is committed to direct participation in the project and it is expected that the involvement of interested organizations and bodies will be sought.
>
> I wish to join with the Premiers of the other two provinces, who are making this announcement in their legislatures at this time, in thanking both these men for accepting this difficult challenge.[27]

At the time of the announcement, the purpose of the Study was to determine improvements in public policies and services that would be achieved through closer cooperation and to determine the feasibility of political union of the three provinces. In a letter from Mr. Drummie to the Executive Assistants of the Premiers (C. H. Forsyth of New Brunswick, Innis MacLeod of Nova Scotia and Andrew Wells of Prince Edward Island) dated July 4, 1968, Mr. Drummie stated, "What we [the Study group] are primarily concerned with is coordination and cooperation and not political union."[28] According to Senator Robichaud, his original intention was not necessarily to achieve political union, but rather to achieve a higher degree of cooperation.[29]

THE CORRIDOR ROAD

The day before the announcement of the Maritime Union Study (March 25, 1968), the Governments of New Brunswick, Nova Scotia, Prince Edward Island and the State of Maine met in Fredericton to consider building a corridor road through Maine. It would provide a quicker route from Saint John to Central Canada, thus benefitting shippers, producers and consumers in the region. The idea had previously been rejected by the people of Maine in a referendum on September 12, 1967.

Governor Curtis of Maine reported to the press that his Commissioner of Economic Development, Mr. James F. Keefe, and New Brunswick's Minister of Economic Growth, Mr. Robert Higgins, would meet in the future to discuss the 208-mile long, $29 million road. Nova Scotia's Minister of Trade and Industry, Mr. W. S. K. Jones, also felt the corridor road would benefit his province.[30]

A communique issued after the meeting said "intensified efforts" were required to determine other economic development prospects for the two regions.[31] The corridor road proposition was in direct opposition to the federal Transport Department's "Atlantic Provinces Transportation Study" that concluded such a road would cost $105 million and that the cost-benefit ratio of such a development did not justify its construction. It is not known at this time how much discussion took place over the corridor road proposal. However, the idea clearly died in November 1970 when the people of Maine again voted against the proposal in a state referendum.

THE ATLANTIC PROVINCES SURVEY AND MAPPING PROGRAM (APSAMP)

Prior to the creation of APSAMP, a working agreement between the Lawrencetown Institute of Survey Technology (formerly Major Church's School, established in 1950) of Nova Scotia and the Department of Surveying at the University of New Brunswick provided for a number of courses of the Nova Scotia School be transferable to the UNB School. The UNB School had become, like the Nova

Scotia Agricultural College and the Maritime Forest Ranger School, a regional centre for a specific profession. A number of other cooperative ventures had occurred in surveying technology in the 1950s and 1960s.

At that time, Mr. Willis Roberts, the Director of Surveys for New Brunswick and President of the Canadian Institute of Surveyors, met with members of the Atlantic Development Board to discuss the establishment of a regional survey and mapping program. This proposal arose from a land title dispute between the Governments of Canada and Prince Edward Island regarding the ownership of the land on which the federal government had built a fish plant. Mr. Roberts was called in by the ADB to help settle this dispute.[32]

From these discussions, the idea arose of establishing a program to coordinate and control the surveys in the region. An agreement among the Provinces of New Brunswick, Newfoundland, Nova Scotia and Prince Edward Island, the federal Department of Energy, Mines and Resources, Surveys and Mapping Branch and the National Research Council called for the creation of such a program.

On April 1, 1968, the Atlantic Provinces Survey and Mapping Program was established, financed by a $3.3 million grant from the ADB. This money was sent to the Provinces of New Brunswick, Nova Scotia and Prince Edward Island on the following basis:

New Brunswick	$1,400,000
Nova Scotia	923,000
Prince Edward Island	1,008,000

The program was to last until April 1970, but was extended to April 1972. It was managed jointly by the provincial Directors of Surveys, a representative from the federal Survey and Mapping Branch, National Research Council consultants, and members of the universities and industries of the region. Technical Directors were Willis Roberts, Director of Surveys, New Brunswick; Burt Robertson, Director of Surveys, Nova Scotia; and Neil Flemming, Director of Surveys, Prince Edward Island. Also, a Technical Group was established led by Harold Hoyt, Assistant Deputy Minister, Department of National Resources, New Brunswick; and the Deputy Minister of Mines for Newfoundland.

The project was divided into four phases: first, a provincial coordinate survey would be completed (the control phase). Second, large scale photography and mapping would be completed (the mapping phase). Third, research into land titles would be completed (New Brunswick only). The final phase involved the setting up of a data bank (a resource information system).

According to Mr. Roberts, within five years of the creation of APSAMP, the following projects had been completed:

1. The control and mapping phase was completed in Prince Edward Island;
2. About 60 to 70 percent of the control phase was completed in New Brunswick;
3. About 20 to 30 percent of the control phase was completed in Nova Scotia;
4. Photogrammetric equipment had been purchased;
5. New Brunswick was already producing its own maps;
6. Nova Scotia was beginning to produce its own maps.[33]

The program was undoubtedly a success. It later evolved into the Land Registration and Information Service, an agency of the Council of Maritime Premiers.

THE ATLANTIC INSTITUTE OF EDUCATION

As previously mentioned, the Premiers had considered establishing an Atlantic Institute of Education for some time, but a final decision was hampered by finding a suitable location for it.

In July of 1968, the Ministers of Education of the Atlantic provinces met to discuss the proposed Institute of Education. Dr. Lauwerys of the Institute of Education at the University of London (U.K.) had visited the region on the invitation of the Ministers to study the proposed Institute.

His proposal called for:

> ...an overall policy aiming at economy of operation and at the improvement of resources available for teacher education at all levels. The watchwords have to be: cooperation, coordination, concentration.[34]

Dr. Lauwerys recommended that all four provinces retain their schools of education, but the headquarters for the planning, coordinating and overall direct control of these schools be centralized in one location. The Institute would be administered by a Governing Board, a Financial Committee and an Academic Council. A Director (or Dean) would be appointed by the Governing Board. All other educational institutions would hold their degree-granting authority in abeyance as the Institute would grant degrees in education, from the Bachelor to the Doctoral levels. Again, it can only be assumed that Dr. Lauwerys proposal did not meet with the approval of the Ministers, as the Atlantic Institute of Education was not established as envisaged.

THE MARITIME UNION STUDY

In a letter to Hon. Jean Marchand, the federal Minister of Forestry and Rural Development, dated September 23, 1968, Dr. Deutsch recalled the history and purpose of the Maritime Union Study. He explained to Mr. Marchand that he was merely the Special Adviser to the Executive Director, Mr. Drummie, who was ostensibly the full-time Director. Also, Dr. Deutsch pointed out that it was a "study," not a "commission," because of the difficulties of trying to operate under three provincial Enquiries Acts.[35]

The intent of this letter was to ask for the federal government's participation in the funding of the Maritime Union Study. Dr. Deutsch estimated total costs would not exceed $250,000 and asked the federal government to provide one half of this amount ($125,000).

One month later, on October 29, Mr. Marchand informed the Study Group that the federal government would provide the required $125,000.

THE EASTERN STATES EXPOSITION, WEST SPRINGFIELD, MASSACHUSETTS
SEPTEMBER 1968

An Atlantic Canada Exhibit was mounted at the Eastern States Exposition held at West Springfield, Massachusetts, about 80 miles west of Boston. Of the 700,000 people attending the Exposition, an estimated 630,000 passed through the Atlantic Canada Exhibit. For this reason, it was the first major export promotion ever mounted by the three Maritime provinces.[36]

The idea to hold such an exhibit was conceived at a June 1967 Marketing Conference in Saint John. Representatives from the Department of Finance and Industry of New Brunswick and the Nova Scotia Department of Trade and Industry were in attendance.

A second Marketing Conference was held in Moncton on November 16, 1967. In attendance were:

New Brunswick:	William Bryden, Department of Economic Growth
Nova Scotia:	Alan Farmer, Supervisor of Area Services and Promotion Division, Department of Trade and Industry
Prince Edward Island:	Joseph Bergasse, Industrial Enterprises Inc., Prince Edward Island
Canada:	Douglas Packman, Regional Manager, Department of Trade and Commerce; E. Choquette, Trades Fair Section, Department of Trade and Commerce.

It was decided at this meeting that the provincial governments would ask the Atlantic Development Board (ADB) for financial assistance for a marketing program. This program included participation at trade fairs in the Eastern United States.

A third meeting was held on January 16, 1968, in Charlottetown. In attendance were Mr. Farmer, Mr. Bergasse and Mr. Paul E. Richard of the New Brunswick Department of Economic Growth. The details of the request to the ADB were agreed upon, and a letter was sent by Mr. Bergasse to the ADB asking for $176,000 to mount the exhibit.

The formal financing agreement was signed on October 1, 1968, by the ADB and the Provinces of New Brunswick, Nova Scotia and Prince Edward Island after the Exposition was over. However, the ADB had much earlier agreed to help finance the Maritime trade promotion. The formal agreement stated that the ADB would provide the provinces with 75 percent of the cost of the project, to a maximum of $45,000. These funds were divided among the provinces in the following manner:

New Brunswick	$14,400	(32%)
Nova Scotia	19,350	(43%)
Prince Edward Island	11,250	(25%)
TOTAL	$45,000	

These percentages were based on the proportion of firms from each province participating in the trade show. These funds would go to the mounting of the show, and covered assembly and storage costs, pre-shipping and shipping costs, floor space rental, building design costs, promotional expenses, dismantling expenses and a stipend to the Provincial Regional Chairman of the Exhibit, Mr. Allan Farmer.[37]

Decisions to include firms in the trade fair were based on their export potential. Preference was given to firms who had little previous experience in export markets. The federal Department of Trade and Commerce, through its Trade Commissioner, Mr. Ray Anderson, provided assistance to the firms, advising them on competitive pricing, labelling and product regulations. To add promotional impact, the three Maritime Premiers attended the opening ceremonies of the exhibit.

The 28 exhibitors made sales of $80,000 over the ten days of the fair. In addition, 17 of these firms estimated that additional sales between $1.3 million and $2.2 million were made in New England as a result of the exhibit. The total cost of the Atlantic Canada Exhibit was $66,887.

APEC AT THE EASTERN STATES EXPOSITION

APEC held a meeting at the Eastern States Exposition with the New England Council's Industrial Development Committee of September 18, 1968. In attendance were Mr. Bergasse, Mr. Anderson, Mr. Farmer, Mr. Searles of New Brunswick's Department of Economic Growth and Mr. Mann of APEC, as well as two Canadian government officials. Also 20 business and state government officials represented the NEC.

The purpose of the meeting was to assess the importance of a joint meeting of APEC and the NEC, and to introduce the NEC people to the Atlantic Provinces Exhibit. It was agreed that APEC officials would meet in Boston later in 1969 to discuss details of the proposed conference.

JOINT TOURISM PROMOTION

As early as 1954, when the Maritime Cooperative Advertising Campaign began, the provincial governments had tried to increase the level of joint tourism promotion. The Cooperative Advertising Campaign was cost-shared on a per capita basis, with the provinces rotating on a yearly basis in undertaking the development of the campaign. Prince Edward Island placed a great emphasis on this; in the Speech from the Throne of February 22, 1968, it was stated that the government would "expand its participation in the Maritime Cooperative Advertising Campaign."[38] Other joint tourism promotion ventures included:

1. The New Brunswick-Prince Edward Island Tourist Bureau at Aulac, New Brunswick, 1958-1963. (Nova Scotia rejected a similar idea with Prince Edward Island at Caribou, Nova Scotia.)
2. The Atlantic Provinces House in London (1959-1968).
3. Advertising in a shopping mall in Natick, Massachusetts, 1969. This was encouraged by the federal government, who provided the bulk of the funding.
4. Participation, on a regional basis, in the Canadian Government Travel Bureau's "Visit Canada" promotion in New York City, 1968.

Despite these examples of joint tourism promotion, there was not a formal meeting of provincial Tourism Ministers. However, on November 29, 1968, at the New Brunswick Research and Productivity Council Boardroom in Fredericton, the provincial Directors of Tourism met with Fred Drummie of the Maritime Union Study to discuss increased joint tourism promotion. The various representatives decided at this time to discuss areas for future joint tourism development.[39]

THE ATLANTIC PREMIERS CONFERENCE
OTTAWA, ONTARIO, DECEMBER 15, 1968

Premiers Robichaud, Smith and Campbell attended this meeting. It was convened to receive progress reports of the various regional agencies and committees. The MTC's report indicated that it would in future take on a greater research and policy formulation role in specific transportation-related projects. As well, the MTC urged the Premiers to ensure that the federal government maintained the freeze on non-competitive carload rates until a new regional transportation policy was implemented.

The MTC also reported that it had been providing assistance to provincial industrial development agencies: it had carried out 45 studies on the impact of transportation costs on 55 regionally-produced products.[40]

The most important item on the Conference's agenda concerned the report of the APRB. It had been agreed at the last Atlantic Premiers Conference to circulate the 1967 report of the APRB within the provincial governments. It was hoped that the provincial governments would reach a consensus regarding the proposed new mandate for the APRB and its recommendation to establish an Atlantic Premiers' Policy Advisory Secretariat.

The 1968 APRB Report stated:

> In the absence of any clear consensus or direction, it did not appear appropriate to convene further meetings of the Research Board and the moratorium on Research Board programming was arbitarily extended by the Chairman pending the next meeting of the Atlantic Premiers.[41]

It is not known what the outcome of these discussions were, but one may assume that the APRB was either permanently suspended or completely abolished at this meeting. The provincial governments were not prepared at this time to establish a permanent advisory secretariat, at least not until the report of the Maritime Union Study was completed.

It was agreed at this Conference that Premier Robichaud would convey the Atlantic Premiers' support of the freeze on non-competitive carload freight rates to the federal Minister of Transport. The discussions over national and regional transportation policies will be discussed later in this paper.

THE ATLANTIC PREMIERS CONFERENCE
OTTAWA, ONTARIO, FEBRUARY 9, 1969

This Conference preceded the February 10-13 Federal-Provincial Constitutional Conference. The three Maritime Premiers attended; Newfoundland was not represented at this Conference.

The morning session involved Dr. Deutsch who reported on the progress of the Maritime Union Study. The Premiers met privately in the afternoon to discuss other matters. APEC's report concerned the failure of the ADB to adequately deal with regional problems in a comprehensive manner. APEC felt the ADB emphasized public capital investment:

> ...to the virtual exclusion of direct assistance to industrial location, and its failure even yet to produce a development plan for the region within which its expenditures can be filled in a rational and realistic manner.[42]

APEC, however, did not want the original objectives of the ADB abandoned. It was concerned that the creation of a new federal department specifically established to accelerate regional growth nation-wide necessitated the existence of strong provincial input into federal regional development policies. APEC wanted the "continuation of the special treatment, special consideration principles for the Atlantic provinces."[43] APEC urged the Premiers, therefore, to ensure that the provinces participate in the creation of an overall development plan for the region by establishing a Federal-Provincial Cabinet Committee. APEC also urged the provinces to act on a regional basis to influence the establishment of new development machinery at the federal level. APEC proposed that a Federal-Provincial Secretariat responsible to the joint Cabinet Committee be established for this purpose.

THE PRINCE EDWARD ISLAND CAUSEWAY

A resolution passed at APEC's Annual Meeting of October 28, 1968, hoped to revive the failing fortunes of the Prince Edward Island causeway. APEC's Resolution stated:

> ...that the Annual Meeting of the Atlantic Provinces Economic Council go on record supporting the construction of the New Brunswick-Prince Edward Island causeway recognizing that the construction of the causeway will assist in the interest of the whole Atlantic region industrial economy and in other respects, and that the Governments of Canada, New Brunswick, Prince Edward Island and Nova Scotia be informed of this resolution.[44]

On March 5, 1969, however, the federal government announced that it was cancelling the causeway project. The costs had risen from the original $148 million to approximately $350 million. Costs were expected to be even higher than the federal government's estimate.

At the same time as the cancellation of the causeway, the Governments of Canada and Prince Edward Island entered into an agreement, "A 15-Year Federal-Provincial Program for Economic Expansion and Social Adjustment." This Comprehensive Development Plan was directed at the stimulation of social, economic, and industrial improvement on the Island. The plan called for the development of physical and human resources, social services, resource support and commercial services and it established intergovernmental structures to implement the plan.

Both the federal and Prince Edward Island governments wanted to sign a development plan. However, the federal government was not willing to also pay for the construction of the causeway, especially since it would already be paying the province $125 million over the first phase of the development plan. Prince Edward Island wanted both the causeway and the plan.[45]

While it is not known if the cancellation had any effect on interprovincial relations, it is interesting to see the fate of one of the original capital projects proposed by the Atlantic Premiers Conferences.

THE DEPARTMENT OF REGIONAL ECONOMIC EXPANSION (DREE) AND THE ATLANTIC DEVELOPMENT COUNCIL (ADC)

The Department of Regional Economic Expansion was created by an Act of parliament in 1969. The federal government's objective was to create a department with central coordinating responsibilities, as well as line spending responsibilities. DREE was given authority to coordinate other Federal line departments to create a more comprehensive focus for regional development. DREE's role was to:

1. Designate special areas requiring measures to facilitate economic expansion and social development;
2. Formulate such measures in cooperation with other Federal departments and agencies;
3. Provide for the implementation of such measures;
4. Provide for cooperation with provincial government departments and agencies in formulating and carrying out these measures; and
5. To enter into agreements with a province to jointly carry out these measures.[46]

DREE absorbed the Area Development Agency (ADA), ARDA, FRED and the MMRA. The Atlantic Development Board was abolished under DREE, and was re-constituted as the Atlantic Development Council (ADC). Professor W. Y. Smith became Chairman of this new body.

The ADC, according to its mandate, was to advise the Minister of Regional Economic Expansion:

> ...in respect of the Atlantic region, on matters to which the duties, powers and functions of the Minister extend and, in particular, to give consideration to, and make reports and recommendations to the Minister on,
>
> a) plans, programs and proposals for fostering the economic expansion and social adjustment of the Atlantic region;
>
> b) the feasibility of particular programs and projects and the contribution those programs and projects will make to the economic expansion and social adjustment of the Atlantic region; and
>
> c) such other matters, relating to the duties and functions of the Minister under this Act in respect of the Atlantic region, as the Minister may refer to the Council for its consideration.[47]

Professor Smith felt it was his role as Chairman to seek out the objectives of the provinces through direct contact with the Premiers. As Professor Smith felt, he knew the Premiers and, therefore, could talk with them.[48]

Many political scientists, however, felt the ADB and ADC were examples of federal tokenism. Many of them felt the ADB did not have a comprehensive development plan for the region because it was simply a tool for 'political pork-barreling.' These same critics were critical of the ADC for the same reasons.[49] By the time of its demise, the ADB had spend approximately $200 million on projects in the region and was, therefore, a very expensive 'political ploy.'

THE ATLANTIC PROVINCES CABINET COMMITTEE ON TRANSPORTATION: THE PREMIERS' REPORT

On March 10, 1969, the Atlantic Provinces Cabinet Committee on Transportation released its report "The Basic Elements of an Atlantic Provinces Transportation Policy" (hereinafter called the Premiers' Report). The Cabinet Committee was made up of Hon. Robert J. Higgins, Minister of Economic Growth (N.B.); Hon. W. S. K. Jones, Minister of Trade and Industry (N.S.); Hon. C. A. Miller, Minister of Industry (P.E.I.): and G.W. Brownrigg, Premier's Office (Nfld.).

Under the direction of the Cabinet Committee was the Atlantic Provinces Task Force on Transportation. It was made up of a group of officials of the four governments, including the Executive Manager of the MTC, Mr. Craig Dickson. The MTC was renamed the Atlantic Provinces Transportation Commission (APTC) on April 1, 1969.

The impetus for the creation of these two bodies came out of the meeting of the Atlantic Premiers with federal Transport Minister, Paul Hellyer, on December 13, 1967. During this meeting, Mr. Hellyer asked the Premiers for their views on a fair government transportation policy in the Atlantic region.[50] The MTC had already urged the Premiers at the 1967 Atlantic Premiers Conference to develop specific policies in respect to the three major transportation needs in the region. This idea had already been accepted by the Premiers.

It was decided after the December 13 meeting to expand the work the MTC had been planning in the development of specific transportation policies. The Cabinet Committee was formed, and held its first meeting in Moncton on January 18, 1968. Hon. R. J. Higgins, New Brunswick's Minister of Economic Growth, was appointed Chairman of the Committee. Other members attending were:

New Brunswick:	R. E. Tweeddale, Deputy Minister of Economic Growth N. G. Mulder, Director of Economic Research, Office of the Economic Adviser W. F. Denny, Transport Executive, New Brunswick Development Corporation
Newfoundland:	G. W. Brownrigg, Special Assistant to the Premier
Nova Scotia:	Zilpha Linkletter, Director, Economics and Development, Department of Trade and Industry
Prince Edward Island:	Honourable C. A. Miller, Minister of Industry John Mullally, Premier's Office Delbert W. Gallagher, General Manager, Economic Improvement Corporation J. A. Bergasse, Assistant General Manager, Prince Edward Island Industrial Enterprises Inc.
MTC:	F. R. Rand, Vice-Chairman Craig S. Dickson, Executive Manager Ramsay M. S. Armitage, Assistant Manager

The Cabinet Committee appointed the MTC as the focal point of the Task Force. The MTC would "serve in a liaison capacity and [would] communicate matters of provincial nature to the 'Task Force.'"51

The Task Force was directed by the Cabinet Committee to:

1. Examine those parts of the region's transportation needs which were common to all provinces. It would also examine those needs not held in common, but which were of a complementary nature to a regional transportation policy;
2. Report on the areas forseen to be problematic in formulating a regional policy; and
3. Report on a possible means to solve these problems.52

The MTC would provide office space and staff. These costs would be underwritten by the provices in their annual grants to the MTC. Also, because the House of Commons Committee on Transport and Communications would be holding public hearings in the region in the near future, most likely before the Task Force had a chance to report, it was agreed that submissions of the provincial governments and the MTC would not contain any policy recommendations. Finally the Cabinet Committee authorized Mr. Higgins to continue his investigations of the legal deficiencies in the new National Transportation Act (Bill C-231 was passed in 1967) regarding appeal procedures, suspension of services and reparations. Mr. Higgins would be in close contact with the provincial Attorneys-General and the MTC legal counsel.

The Task Force was made up of many of the same people as the Cabinet Committee. They were:

New Brunswick:	Nick Mulder Delbert Gallagher Professor John Brander (occasionally)
Newfoundland:	G. W. Brownrigg Colin Karasek, Planning Engineer, Department of Highways, (occasionally)
Nova Scotia:	John Grice, Planning Officer, Voluntary Economic Planning Board

Prince Edward Island: David Darlington, Prince Edward Island Economic Development Corporation

MTC: Craig Dickson, Secretary-Coordinator of the Task Force

The Task Force got underway in early July of 1968 and ended its work by late December of that year. According to Craig Dickson, the discussions of the Task Force centered around transportation as an "essential but not the sole element" in the economic health of the Atlantic region.[53]

A second meeting of the Cabinet Committee was held in St. John's on September 24-25, 1968. There were a number of people present. The meeting was opened by Premier Smallwood and was chaired by Mr. Brownrigg. The purpose of the meeting was to approve a number of policy papers prepared by the Task Force. The Cabinet Committee set the deadline for the Task Force's to the Premiers at December 1, 1968. The Committee also decided that the next meeting of the Cabinet Committee would be in Halifax on January 7, 1969.

The meeting was attended by executives of the railway companies. Mr. J. W. G. Macdougall, Vice-President, Atlantic Region of Canadian National Railways, outlined the present application of the Maritime Freight Rates Act (MFRA). He also explained CNR's proposed revisions to the MFRA. These proposals were:

1. To broaden the objective of the Act to apply to any traffic requiring assistance with the intention of promoting growth in the region;
2. The Act should be administered by a federal-provincial body;
3. Assistance should be applied to select commodities only;
4. Assistance should be given to traffic moving by all modes;
5. Assistance should be applicable to express traffic, semi-manufactured and raw materials moving to select territory and to westboard traffic;
6. Subsidy payments should be made directly to the industry;
7. Rate differentials should be gradually eliminated; and
8. Other forms of assistance should be made available.[54]

Each province had different opinions on the proposed withdrawal of the intra-regional subsidy. New Brunswick and Nova Scotia were prepared to accept the withdrawal only if a number of conditions were met. Newfoundland felt the subsidy should be maintained and extended to all carriers. Newfoundland's representative noted that the province would not benefit from a westbound subsidy or an extension of the subsidy to all modes of transportation. The Cabinet Committee recognized that Newfoundland was a special case and asked the province to provide further clarification of its needs. Prince Edward Island also believed the removal of the subsidy would adversely affect the province, particularly with respect to agricultural products. According to the minutes of the meeting, Prince Edward Island's representatives "were unable to accept any proposals advanced as alternatives designed to produce agreement as between the provinces."[55] It was decided, therefore, to bring these positions to the Premiers' attention and request that a final decision be made on whether or not to withdraw the subsidy.

A draft of the Task Force's report was completed and Messers Higgins, Dickson and Mulder visited each of the four provincial Premiers to seek final approval of the report. It was approved in February of 1969 by the Ministers and received final approval by the Premiers. The report entitled "The Basic Elements of an Atlantic Provinces Transportation Policy" was then sent to Ottawa in March of 1969.

The Premiers' Report contained a number of recommendations, among them some with Atlantic intergovernmental implications. As stated in the report, these were:

> 1. There should be uniformity, insofar as possible, in motor carrier and motor vehicle regulations within the four Atlantic provinces, and wherever possible between the Atlantic provinces and other provincial and state authorities;
>
> 2. Provincial taxation policies as they affect the motor carrier industry should be reviewed with the objective of providing a greater degree of uniformity in practices to encourage the growth of the industry.

> 3. The provinces must continue to control the intra-provincial operations of trucking companies within their respective provinces regardless of whether such operations are part of an extra-provincial or local undertaking.[56]

The Premiers' Report proposed the establishment of a federal-provincial agency to administer assistance from Federal funds to select industries within the Atlantic region. According to the report:

> The agency will also be responsible for administering the westbound subsidy under the revised Maritime Freight Rates Act. Its initial step will be to extend the subsidy of 30 percent to traffic moved by all modes and to pay it to the shipper. In the long-term, however, the agency will be responsible for applying the westbound subsidy in a selective manner also. Such selection will be based, as in the case of the intra-regional subsidy, on the importance of the industry to the economy of an area or the region and the importance of transportation costs to the industry.
>
> The appointees to the agency must be residents of the Atlantic provinces. The administrative offices of the agency must be located in the region.
>
> The agency must further consider applications for assistance in the provision of such services and facilities as:
>
> a) strategically located warehouses;
>
> b) increased "pooling" arrangements for regional producers, which together with (a) above would assist shippers to avoid shipping in less than carload lots and thereby avoid paying the high rates associated with such shipments;
>
> c) purchasing of specialized transportation equipment;
>
> d) central terminal facilities to encourage transportation integration; and
>
> e) development of transport services essential for industrial expansion where the volume of traffic is initially too low to operate without financial assistance. Such assistance would, of necessity, be for a limited period of time.
>
> In addition, the federal-provincial agency would have the power to grant, upon application, assistance on transpor-

> tation costs for selected raw materials, semi-finished materials and component parts which industries bring into their plants for further manufacturing and processing. Furthermore, industries could apply for and receive transportation assistance on products shipped to markets other than markets throughout Canada. The overall guidelines for such assistance should be the degree to which this assistance would enable the company to expand.[57]

The only qualification to the unanimity achieved over the common transportation policy in the region resulted from the cancellation of the Prince Edward Island causeway. While Newfoundland, New Brunswick and Nova Scotia fully endorsed all the recommendations, Prince Edward Island could only offer tentative acceptance. In a telegram to the Atlantic Provinces Cabinet Committee on Transportation dated March 5, 1969, Premier Campbell stated:

> The Government of P.E.I. has received the positions arrived at by Newfoundland, New Brunswick and Nova Scotia with respect to the Maritime Freight Rates Act. The Government of P.E.I. has just recently learned of the announced intentions of the Federal Government that it will not proceed with the construction of the Northumberland Strait Crossing. This announcement has far reaching implications for future transportation requirements of our shippers.
>
> In view of the uncertainties of there being present effective transportation services competitive with the CNR, and until there is greater certainty in knowing which shippers may qualify as "Economic Developers", the Province of Prince Edward Island is able only to offer tentative approval in principle of the propositions advanced by Newfoundland, New Brunswick and Nova Scotia. Prince Edward Island cannot agree to the propositions at the expense of potential economic growth and to the detriment of industries and the agricultural industry now heavily dependent upon and even burdened by existing transportation services and rates.[58]

The report concluded that any changes to the Maritime Freight Rates Act must be carefully thought out and implemented so as not to adversely affect the economic growth of the region.

THE HOUSE OF COMMONS STANDING COMMITTEE ON TRANSPORT AND COMMUNICATIONS: REPORT ON THE PROBLEMS OF TRANSPORTATION IN THE ATLANTIC PROVINCES

As a follow-up to the Atlantic Provinces Transportation Study, the federal government on January 30, 1968, authorized the House of Commons Standing Committee on Transport and Communications (hereinafter called the Committee) to conduct public hearings in the Atlantic provinces. In particular, the Committee was directed to study the effectiveness of the Maritime Freight Rates Act (MFRA). It was given authority to make recommendations on changes or alterations to the MFRA as well as proposals on alternative methods of assisting transportation in the region in addition to the MFRA, or substitution in whole or in part of the MFRA.

The Committee intended to hold hearings in the capital cities of the region between March 17 and 24, 1968. However, the federal government was defeated on a tax measure in the House of Commons on February 18 and the Committee had to cancel its hearings. Hearings were cancelled again because of the federal general election announced for June 1968.

The Committee finally began its hearings in the region between February 17 and 24, 1969, and received briefs in Ottawa between March 13 and 20, 1969. On March 19, 1969, it submitted its interim report to the House of Commons. Among its recommendations was the extension of the freeze on non-competitive carload rates to December 31, 1969.

On March 20, 1969, the Minister of Transport introduced Bill C-182 to extend the freeze for up to 12 months. This was done on the urging of the Atlantic Premiers and of the MTC.[59] The Bill also provided for a $12 million subsidy to the carriers to compensate them for holding their rates at the current level. This Bill was passed.

On June 17, 1969, the final report of the Committee was tabled in the House of Commons. Among its recommendations was support for the recommendation of the Premiers' Report regarding revised and new assistance programs. The Committee agreed that the payment of subsidies directly to the user rather than through the carrier (as was the case at the time) was a more stimulative proposal.[60] The report was accepted by the House of Commons on March 6, 1970.

THE FEDERAL-PROVINCIAL COMMITTEE ON TRANSPORTATION

On September 2, 1969, a Federal-Provincial Committee of officials was established. Its terms of reference included the:

> Detailed examination of the Maritime Freight Rate Assistance on rail traffic within the region. Review of all subsidized water transport services into or out of the region or wholly within the region. Recommendation of possible revisions or improvements in the provision of these services. Consideration of possible subsidy on outbound air and waterborne freight from the region. Examination in detail of economic effects of the outbound assistance under the Maritime Freight Rates Act to determine if a more selective approach might not provide a more effective use of the funds provided by Parliament.[61]

Members of the Committee were:

Federal:	Dr. George McLure, Director of Programming, Eastern Region, Department of Regional Economic Expansion (Chairman)
	A. C. Weaver, Director, Transporation Planning Analysis, Department of Transport
New Brunswick:	H. A. Nason, Assistant Deputy Minister and Chief Highway Engineer
Newfoundland:	F. J. Kemp, Director of Transportation and Communications
Nova Scotia:	Zilpha Linkletter, Director of Economics and Development, Department of Trade and Industry
Prince Edward Island:	K. A. MacKenzie, Supervisor of Transportation, Department of Highways

The Committee was not exactly like the one proposed in the Premiers' Report. The APTC, however, initially felt the Committee could secure changes in the blanket subsidization of intra-regional traffic. According to the APTC, this could enable industries to secure greater benefits from the federal funds that could be made available.

The Committee's first report was released on July 10, 1970. It made a number of recommendations. These have been summarized in the APTC's Annual Report for 1970-71. In this report, the APTC noted that few of the Committee's recommendations had been implemented by the federal government after receiving their report. As the APTC stated, there was:

> ...urgency and importance of the Atlantic region [in] exerting renewed and vigorous pressure upon the Federal government for special transportation assistance for industry.[62]

The Atlantic provinces did immediately act upon one transportation matter. In concurrence with the recommendation in the Premiers' Report for uniform motor vehicle regulation, the APTC held a meeting in October 1969 of provincial highway officials and representatives of the motor carriers to carry out this policy.

The discussions at this meeting resulted in the provinces amending their highway regulations to achieve uniformity in height, length and width restrictions on motor carriers. The provinces also agreed to set common requirements that cargo insurance be placed on public motor carriers.

In the fall of 1970, the APTC began work on a memorandum dealing with further changes to achieve uniformity. The basic thinking of this memorandum was that:

> The movement of motor freight within and between the provinces of the Maritime region should be encouraged by highway regulations that permit truck operators to achieve the greatest practical efficiency in their operations.[63]

This memorandum was forwarded to the Premiers early in 1971. At that time, New Brunswick agreed to the principle of developing a uniform carrier's liability for loss or damage under a prescribed bill of lading. New Brunswick also agreed to cooperate with the other Maritime provinces in achieving this uniformity.

SOCIAL WELFARE POLICY: THE ATLANTIC MINISTERS OF WELFARE REPORT

A meeting of the Atlantic Ministers of Welfare was held in Moncton on October 11, 1968. The agenda for the meeting contained the following items for discussion:

1. The Case for an Equalization Formula Under the Canada Assistance Plan (C.A.P.) to assist the Atlantic provinces;
2. Review of cost-sharing arrangements in the provinces for institutional services;
3. Welfare services for treaty Indians;
4. Homes used for young women on an interprovincial basis;
5. Maritime School of Social Work--Progress report on amalgamation with Dalhousie University;
6. Nova Scotia Institute of Technology;
7. Housing for the poor;
8. Rehabilitation and employment placement services for graduates of the School for the Deaf, Amherst;
9. Maritime Union Study.[64]

Under Item 1, it was decided that new information was required on the possible policies of the new federal Department of Regional Economic Expansion. Additional information was also needed in the discussions relating to new tax-sharing arrangments. New Brunswick's Minister of Health and Welfare, Hon. L. N. Theriault, suggested that the region try to achieve improved short-term funding until the federal government's long-term regional development policies had been worked out. It was also agreed that the Atlantic provinces' case for increased cost-sharing should have the objective "to change the status quo, rather than seek money to continue the status quo."[65]

It was decided under Item 2 that the Atlantic provinces attempt to plan "Programs for Institutional Services for Children," by providing the required facilities on a cooperative basis. Each province would set out its own needs in this area.

Regarding Item 4, it was agreed that New Brunswick would review its needs regarding these institutions. Item 5 detailed amalgamation proceedings. The Director of the School, Mr. Hancock, explained that amalgamation had been achieved in principle and that when it was final, the Board of Directors would be replaced by an inter-provincial advisory council.[66]

Item 9 was presented by Mr. Fred Drummie of the Maritime Union Study. He recommended that the Ministers participate in the Union Study by assisting in the study of present arrangements in the provision of cooperative welfare services. It was decided to set up a Technical Committee to carry out the task of providing "an assessment of the problems and possibilities of achieving uniform administration and standards".[67] The Welfare Survey Committee consisted of:

New Brunswick:	Don Junk, Director of Research and Planning, Department of Health and Welfare
Nova Scotia:	John Angus MacKenzie, Director of Social Research and Planning, Department of Public Welfare
Prince Edward Island:	W. W. Reid, Deputy Minister of Welfare

The Welfare Survey Committee met with some difficulties. Because its members also served on the larger committee that was investigating the case for increased cost-sharing under the Canada Assistance Plan, and because the Ministers had placed a higher priority on this, the Welfare Survey Committee was disbanded in October 1969 and its project was contracted out to MDT Associates.[68] It was MDT's report "Welfare Services and Maritime Union" that was submitted to the Maritime Union Study.

On January 15, 1969, the draft report of the case for increased cost-sharing was completed, entitled "A Program for the Elimination of Poverty in the Maritime Provinces." The report stated that there was a need in the Maritime region for comprehensive programs involving improvement of human, as well as physical, resources. A program for labour force adjustment, encompassing education, health, housing and labour mobility was required. The report stated that current federal assistance programs were lacking in three respects:

1. Insufficient assistance was provided for major human resource development programs which were the responsibility of the provinces. The current federal shared-cost programs and equalization payments were not taking into account the higher per capita requirements of the Maritime provinces and the provinces' lower tax capacity to meet these needs.

2. The federal programs had not met the needs of an income maintenance program to combat rural poverty. The C.A.P. program had contributed much in this area, but because of increasing provincial expenditures, the C.A.P. program was forcing the provinces to play catch up in the provision of preventative and rehabilitative services. The provinces, therefore, would either have to reduce spending in other areas, or limit the definition of need in their social assistance programs.

3. Federal programs had tended to single out particular areas of the Maritimes for special assistance. The provinces felt that the problem was region-wide and, therefore, special assistance should not be targeted at particular areas.[69]

The report recommended the following:

1. A five-year comprehensive development plan for the whole Maritime region: it would stress the modernization of the primary sector and diversify the secondary sector. It would also recognize the special need for additional expenditures in health, housing, education and welfare.

2. The provincial governments would administer these programs, to ensure "maximum effectiveness, integration and coordination of these programs and to foster optimum local participation."

3. The Federal government should increase its sharing of the costs of the C.A.P. program.

4. This increased sharing of the C.A.P. program would be in effect while the development program was coming into effect: this would recognize the special needs of the Maritime provinces and their lower tax capacities.[70]

On August 25, 1969, the Atlantic provinces' Welfare Ministers presented their plan to the federal Minister of National Health and Welfare, Hon. John Munro. Those in attendance at the Universite de Moncton, besides Mr. Munro, were Hon. L. Norbert Theriault, Minister of Health and Welfare, New Brunswick; Hon. Percy Gaum, Minister of Public Welfare, Nova Scotia; Hon. M. L. Bonnell, Minister of Welfare Services, Prince Edward Island; and Mr. Stephen Neary of Newfoundland.

THE EASTERN STATES EXPOSITION
WEST SPRINGFIELD, MASSACHUSETTS, SEPTEMBER 12-21, 1969

Because of the success of the previous year, the three Maritime provinces, in cooperation with the federal Departments of Trade and Commerce and Regional Economic Expansion, mounted a second "Atlantic Canada Exhibit" at the Eastern States Exposition at West Springfield, Massachusetts.[71]

The Committee set up to coordinate the exhibit included:

Mr. Allan Farmer, Supervisor of Area Services and Promotion Division, Nova Scotia Department of Trade and Industry (Regional Chairman of the Exhibit)

Mr. Ron Searles, Supervisor of Marketing, New Brunswick Department of Economic Growth

Mr. Tom Flood, Manager, Industrial Enterprises Inc., Prince Edward Island

The estimated cost of the promotion was $100,000. The Department of Regional Economic Expansion agreed to pay 75 percent of the cost of the exhibit up to a maximum of $51,000. Costs to individual exhibitors ranged from $1,000 to $2,500. The trade promotion had four components:

1. The Exhibit itself.
2. A four-page newsletter titled "Import Report": This profiled the exhibitors and their products. It was distributed to a select list of New England wholesalers and distributors.
3. A Canadian talent show featuring Maritime performers.
4. A consumer-oriented media campaign: Radio, television and newspaper promotions in the New England media promoted Atlantic Canadian products.

The promotion had three purposes. It was designed to help Maritime products penetrate the New England market. It was also designed to create an image of the Maritime region as an excellent location for industry. Finally, it promoted the region's tourism industry.

THE ATLANTIC PREMIERS CONFERENCE
CHARLOTTETOWN, PRINCE EDWARD ISLAND, SEPTEMBER 25, 1969

This was the first Atlantic Premiers Conference held in the region since 1965. The Conferences from 1967 to 1969 took place before interprovincial or federal-provincial conferences, with the intention to coordinate the provinces' responses to the federal government. The 1969 Conference was called for much the same reason: the Premiers had expressed a desire to reach an agreement on a number of issues to be brought up at the Federal-Provincial Constitutional Conference to be held on December 8-10, 1969, in Ottawa.

Those participating in this Conference were:

The Government of New Brunswick:

Honourable Louis Robichaud, Premier
Honourable A. F. Richard, Minister of Highways

The Government of Newfoundland:*

Honourable Alain Frecker, Minister of Provincial Affairs
Dr. D. Z. Sometz, Deputy Minister of Community and Social Development

The Government of Nova Scotia:

Honourable George I. Smith, Premier
Honourable Percy Gaum, Minister of Mines

The Government of Prince Edward Island:

Honourable Alexander Campbell, Premier (Chairman)
Honourable Elmer Blanchard, Attorney-General

The Conference agenda covered the following items:

1. Constitutional Matters;
2. Offshore Mineral Rights;
3. Freight Rates;
4. Other Areas of Cooperation; and
5. Preparation of press communique.[72]

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* NOTE: Premier Smallwood was absent because he was in the provincial Liberal Party leadership race.

Most of the Premiers felt that it would be useful to prepare a common approach to regional economic disparities at the Constitutional Conference. Also, as undersea exploration was currently underway, the Premiers were seeking a reaffirmation of their claim to the ownership of offshore mineral rights. Freight rates was also on the agenda because of the recent announcement by the federal Transport Minister that all freight rates in the Atlantic region were to be frozen. The other areas of cooperation discussed were the use of computers, and common tendering procedures for public works projects in the region.

While nothing is known about the actual discussions on these matters, there were a number of decisions reached that were reported to the press. These decisions were:

1. There was no common approach agreed regarding regional economic disparities. Rather, it was decided to have the provincial officials who were on the Continuing Committee of Officials of the Constitutional Conference meet before their Committee meeting to plan a common approach.

2. The Premiers urged the federal government to provide an exact wording of any proposed amendments to the Constitution that would recognize the claims of regional economic disparities. The Premiers felt that this would place the legal responsibility on the federal government to initiate and continue such policies. They also urged the federal government to enshrine the principle of fiscal equalization in the Constitution.

3. The Premiers asked for a clarification of the federal government's offshore policy, to enable the Premiers to state their own provincial positions. The Premiers reaffirmed their claim of ownership, but were confused about the federal government's policy of pooling all offshore mineral resources (except those in northern waters). This policy did not describe how revenues were to be divided within a pool of mineral resources. The Premiers also noted that federal policy did not clarify the provinces' expressed jurisdiction over administration of oil drilling programs (such as setting safety standards and taking responsibility for environmental damage).

4. The Premiers agreed to set up a committee of the Atlantic provinces' Resource Ministers to:

    a) prepare a list of questions to be raised with the federal government on these matters;

    b) to outline areas of agreement among the provinces regarding the offshore minerals; and

    c) to examine the feasibility of cooperating with the federal government on these issues.

5. The Premiers agreed to a resolution condemning the unilateral action of the Minister of Transport and calling for remedial action. The Premiers felt that many of the recommendations of the House of Commons Standing Committee on Transport and Communications, as well as their own Premiers' Report, had been ignored by the federal government.[73]

The Premiers expressed confidence in their ability to ensure that regional concerns were recognized in the constitutional talks. As Premier Smith stated, "We have to arrive at the very words to suggest to the Conference [regarding the proposed amendments listed above] and the place where they should go in the Constitution."[74] The Conference was successful once again in promoting the concerns of the provinces through a regional approach to the federal government. As Premier Campbell stated at the concluding press conference, the day's discussions had been "productive, and conducted in a spirit of good will and evident cooperation."[75]

THE "ONE PRAIRIE PROVINCE" CONFERENCE
LETHBRIDGE, ALBERTA, MAY 10-13, 1970

While this Conference has little to do with Maritime intergovernmental cooperation, it makes an interesting aside. The Maritimes had exported the union study idea West. The One Prairie Province Conference discussed the pros and cons of the political union of Manitoba, Saskatchewan and Alberta. The Conference was co-sponsored by the University of Lethbridge and the Lethbridge *Herald*.

The Conference was attended by 300 delegates and heard 30 guest speakers, including the Premiers of the three Prairie provinces and the federal Minister of Regional Economic Expansion, Hon. Jean Marchand. Of special interest to this report was the speech given by Fred Drummie, Executive Director of the Maritime Union Study, on the politics of political union.

The Conference was not a roaring success. All three Prairie Premiers dismissed the idea of union, and Premier Strom of Alberta went so far as to state that if there was any political union of western provinces, it would be between Alberta and British Columbia, and not between the three Prairie provinces.[76]

RELEASE OF THE MARITIME UNION STUDY
CHARLOTTETOWN, PRINCE EDWARD ISLAND, NOVEMBER 27, 1970

This important event was conducted by two new Premiers, as well as Premier Campbell. Gerald Regan became Nova Scotia's new Premier in the October 13, 1970, election, defeating George I. Smith. In the October 26, 1970, provincial general election, Richard Hatfield defeated Louis Robichaud, becoming New Brunswick's new Premier. The three Premiers jointly released the study in the Confederation Chamber; they were sitting on chairs originally used by delegates to the Charlottetown Conference of 1864.

Because so much is known at present about the Maritime Union Study--its history, its content, and its recommendations--this report will not discuss the Report of the Study. However, it is appropriate to quote a key statement in the Report and summarize the recommendations.

As stated in "The Report on Maritime Union":

> If the Maritime provinces are not prepared to accept the conditions and risks inherent in a chronically dependent region in the Canadian federation, they will have to find a more realistic way of influencing their own future. The new challenges which confront the region call for early and consistent decisions. In our view, an effective and positive response (as contrasted with a passive response) to these challenges is not possible on the basis of individual governments in this small region. Such a positive response, if that is what is desired, could be achieved only by means of an adequate and meaningful method of regional cooperation.[77]

It was the opinion of the Study that to develop this new form of cooperation, political union had to be the final goal. To achieve this, the Study Group recommended that the provinces carry out the following tasks:

1. Conduct regional economic planning;

2. Conduct regional negotiations with the federal authorities;

3. Establish common administrative services;

4. Develop uniform legislation;
5. Coordinate existing provincial policies;
6. Prepare a constitution for a single provincial government for the Maritime region; and
7. Implement successive steps leading to political union.

To carry out these tasks, the Study Group called for the creation of three organizations. These structures were based on the example of the European Economic Community. The first organization was a Council of Maritime Premiers. This body would:

1. Meet at least quarterly;
2. Consider recommendations from a Maritime Provinces Commission;
3. Approve joint submissions;
4. Negotiate with the federal government on behalf of the region;
5. Coordinate the policies of the three provincial governments;
6. Secure agreements between the three governments for common action;
7. Appoint sub-committees of Ministers to study and report on specific matters; and
8. Have a small permanent Secretariat to organize and expedite the work of the Council.

The second body was the Maritime Provinces Commission. It would consist of five full-time members appointed by the Council (two each from New Brunswick and Nova Scotia, one from Prince Edward Island), plus a Chairman appointed by the Council. Its duties would be to:

1. Prepare a long-term plan for regional development for the Council;
2. Recommend common regional policies to the Premiers;
3. Prepare proposals for joint administration of specific public policies;
4. Prepare proposals for unifying the public services;

5. Recommend proposals for uniform legislation to the Joint Legislative Assembly;
6. Prepare proposals for a constitution of a single province for the Assembly;
7. Prepare for the Council and Assembly, proposals, timetables and procedures to implement political union;
8. Recommend budgets and the costs of sharing services and projects to the Council and Assembly; and
9. Prepare annual reports on the progress of union and cooperation for the Assembly.

The final body was the Joint Legislative Assembly. It would consist of all the members of the three provincial legislatures meeting in joint session. It would:

1. Meet once a year for a few weeks to receive and discuss reports from the Council and the Commission;
2. Consider all the proposals of the Commission; and
3. Determine the final step of how union would be ratified.

Premier Hatfield of New Brunswick told the press that "the Commission has given us a vehicle that we can use to seriously discuss and consider political union."[78] He had already, as Leader of the Opposition, come out for full political union on a number of occasions. Premier Regan's reaction was a bit more guarded. As he stated, "If I come to a firm conclusion that union will be advantageous, I'll publicly communicate it to the people."[79] Premier Campbell was not prepared to commit himself to the concept of union "until we've had a full consideration of all the factors."[80]

THE DECISION TO ESTABLISH A COUNCIL OF MARITIME PREMIERS, JANUARY 27, 1971

The three Maritime Premiers met in Halifax to discuss the recommendations of the Report of the Maritime Union Study. This was the first time that the Premiers had met since receiving the Report on November 27, 1970. Also in attendance at this meeting were Fred Drummie, who became Secretary to the Cabinet of Nova Scotia; Fred Arsenault, Executive Assistant to Premier Hatfield; and Arthur Parks, an aide to Premier Hatfield.

The Premiers began this meeting by discussing tidal power. They agreed that the development of tidal power was a Maritime issue because it involved the transmission of power across provincial borders. It appears that two different positions on the development of tidal power were taken by New Brunswick and Nova Scotia. These positions concerned the timing, marketing, ownership and method of financing the development.

These positions were brought more clearly forward in the discussions between Premier Regan and a British consortium of financiers led by Baron Edmund de Rothschild. Premier Regan believed development should be financed by private investment. He felt the $2 billion needed for tidal development was too large a sum for the provincial or federal governments to raise, which could postpone development. Premier Regan also agreed to accept federal assistance but felt tidal development was a matter for the two provinces to deal with themselves.[81]

Premier Hatfield's position was outlined in a news report of May 20, 1971. Hon. George McInerney, Chairman of the New Brunswick Electric Power Commission, told the press that the New Brunswick government wanted power development financed largely through provincial funding rather than through private investment. New Brunswick wanted this power used for consumption within the Maritime provinces, while Nova Scotia wanted to export some of the power to New York State.[82] These were, no doubt, the positions of the two governments at the January 27 Premiers' meeting.

The meeting dealt mainly with the recommendations of the Maritime Union Study. Little is known of the private discussions of the Premiers, but the meeting resulted in three important decisions. First, the Premiers agreed to establish the Council of Maritime Premiers. The Premiers also agreed in principle to establish the Maritime Provinces Commission at some later date. Finally, they agreed to recommend to their legislatures the creation of a Joint Legislative Assembly.

According to the press release, the Premiers agreed that the Council would meet at least quarterly "to study matters of regional concern, initiate coordinated policies and undertake cooperative actions."[83] It was also agreed to immediately recruit a permanent Secretary to the Council. It was decided that the first meeting of the Council would be held in May.

The Premiers decided to recommend to their legislatures that they appoint five members each to a Joint Legislative Committee. This Committee would examine the Maritime Union Study's proposal of establishing a Joint Legislative Assembly. It would also study methods of achieving uniform legislation on specific matters.

The Premiers maintained three distinct stands with respect to political union. Premier Hatfield enthusiastically supported it, as long as the federal government provided suitable financial aid. Premier Regan felt greater cooperation could be achieved without necessarily unification. Premier Campbell remained unconvinced that union was necessary at the time.[84] Despite the three opinions, the Premiers had developed a common vision of the region. They had recognized the need for a decision-making body that would develop common approaches to the federal government and formulate joint policy and planning decisions.

CONCLUSION

At the Annual Conference of the Institute of Public Administration of Canada on September 13, 1976, Mr. Fred Drummie stated:

> It was staggering to submit a report on November 27 [1970] in the Confederation Chamber in Charlottetown, and then have it adopted within two months. I do not think there has been a Royal Commission in [the history of] this country that has ever had that happen. Taken further, within four more months [we had] a formal and enforceable agreement between the three provinces. Then, lo and behold, we even have it accepted by the Legislatures and formal institutions of regional cooperation were established.[85]

The establishment of the Council of Maritime Premiers was the culmination of a period of intense cooperation among the three Maritime provincial governments. The period beginning with Premier Robichaud's proposal and ending with the agreement to establish the Council was characterized by a greater use of interprovincial cabinet committees and a large number of joint endeavours.

The Maritime Premiers had developed a significant amount of common approaches to important issues. The Premiers' Report on transportation, the report of the Ministers of Welfare and the trade promotion proposals identify the fact that the provinces were moving toward greater coordination of policy. This period, therefore, resulted in the achievement of the original objectives of the Atlantic Premiers Conference set out 15 years earlier.

CONCLUSION

A recent graduate thesis on the Council of Maritime Premiers states that:

> The Council of Maritime Premiers (CMP) represents an exciting experiment within Canadian federalism. The Maritime provinces are separate and in some respects competitive entities within the Canadian federation. At the same time, they have gone further than any other provinces in promoting integration through the promotion of various cooperative activities.[1]

While the Council is an exciting example of interprovincial cooperation, the 20-year period leading up to its creation is no less worthy of note. Beginning in 1951, the Premiers of the Atlantic/Maritime provinces began to search for a vehicle by which a unity of purpose in social and economic development could be achieved.

This formative period began with the report "Industrial Development in the Maritime Provinces" authored by Dr. C. H. Blakeny of the Industrial Development Committee of the Maritime Provinces Board of Trade (MPBT). Dr. Blakeny's original proposal for the establishment of a permanent industrial commission for the region went through a number of revisions. Finally, at the September 1953 Roundtable Conference attended by the MPBT Executive Committee and the Premiers (or their representatives) of the four Atlantic provinces, the idea of a private sector economic council was approved.

The Atlantic Provinces Economic Council (APEC) was established in 1954. While essentially a private sector organization, its formation was heavily influenced by the Atlantic Premiers. This was especially true with respect to the Government of Newfoundland, who directly financed APEC through the Department of Economic Development. Premier Smallwood did not favour high levels of private sector involvement in interprovincial bodies, and chose to substitute private sector financing of APEC with public sector financing.

APEC's mandate covered the four areas identified at the 1953 Roundtable Conference as requiring interprovincial cooperation. These were agriculture, trade promotion, tourism promotion and power production. While APEC pursued these initiatives, the Premiers remained uncommitted to greater intervention in the economic development of the region. For this reason, the new-found goal of interprovincial cooperation was in danger of dissipating because the Premiers did not have an issue or challenge with which to pursue this goal.

The challenge came in a speech by Prime Minister St. Laurent in April 1956. The Prime Minister called for the economic redevelopment of the Atlantic region. However, he qualified this statement by saying this redevelopment had to originate in the Atlantic region itself, through provincial government initiatives. Prime Minister St. Laurent also promised full federal cooperation in this endeavour.

This statement came as a surprise to the Atlantic Premiers. The federal government's economic policies for most of the post-war era had followed the principles of liberal, laissez-faire economics. The federal government avoided interventionist policies, except those traditional tools such as tariffs and transportation policies. Regional approaches to economic development were relatively unheard of (except for initiatives like the Prairie Farm Rehabilitation Act and the Maritime Marshlands Rehabilitation Act), as the federal government provided assistance to all provinces, not exclusive to any one province. Therefore, the Prime Minister's recognition of regional disparities and his call for regional development signaled a significant change in federal economic policies.

The Atlantic provinces were quick to take up this challenge. A conference of the Atlantic Premiers was called for July 1956 by Premier Flemming of New Brunswick. This Atlantic Premiers Conference resulted in few substantial proposals for cooperation, yet the Premiers were happy with the level of cooperation achieved through their discussions. A Continuing Committee of the Atlantic Premiers Conference was established, which had the authority to place subjects of common interest under study. This organization replaced the ad hoc Agenda Committee struck by the Government of New Brunswick for the 1956 Conference. It was not authorized to present substantive policy proposals for discussion by the Premiers; rather it would present the Premiers with "operational challenges."[2]

The Continuing Committee used this same approach. It would place items discussed at previous conferences on the agenda of future conferences. These items were tariff policies, developing defence industries, the marketing of fish and agricultural products, trade promotion and other items of interest relevant to the needs of the region. However, the Continuing Committee had difficulties in meeting its objectives. The May 1957 Atlantic Premiers Conference, therefore, re-constituted the Continuing Committee as the Premiers Committee, which would act as a small formal committee to arrange for conferences at the departmental as well as at the Premiers' level.

Other committees were established at this Conference, each dealing with the items discussed at the Conference. They were the Atlantic Provinces Representation Committee, the Northern Lands Committee and the Capital Projects Committee. As well, it was decided that the Atlantic Premiers Conference would become a permanent interprovincial organization to be convened at the same time as the annual APEC conferences.

This decision to make the Atlantic Premiers Conference a permanent fixture, with the requisite coordinating machinery, resulted in a number of joint projects with the federal government (such as coal subventions and the Atlantic Provinces Adjustment Grants) and joint projects within the provinces of the region. Most notable among these regional efforts was the establishment of Atlantic Provinces House (May 1958) and the Interprovincial Power Grid (November 1959).

A further refinement to the coordinating machinery for interprovincial cooperation was made at the 1958 Atlantic Premiers Conference. The Atlantic Provinces Research Board (APRB) was authorized to channel money into research undertaken in the region, to coordinate this research effort and to initiate other research projects.

The APRB's role, however, was undercut by the creation in 1963 of the Atlantic Development Board (ADB). The ADB's mandate was to develop a comprehensive regional development strategy for the federal government, similar in scope to the recommendations in the Report of the Gordon Commission. The

ADB's $100 million fund also provided it with a means to implement its development proposals. The ADB's research capacity was far greater than the APRB's and, combined with the fact that the Premier's attention in the 1962 to 1965 period was on federal proposals, the APRB's role continually declined over the years. At the 1967 Atlantic Premiers Conference, the APRB asked the Premiers for clarification of its mandate. The Board cited the fact that regional research and planning efforts were being increasingly assumed at the national level, requiring a regional response.

No clarification of the APRB's role was made. At the 1968 Atlantic Premiers Conference, the APRB proposed the creation of an Atlantic Premiers' Policy Advisory Secretariat, with a small yet competent support staff. The Secretariat would assume the responsiblities of the APRB, as well as being responsible for cooperating with the ADB in the formulation of regional development policies. It would also develop purely interprovincial initiatives. However, no decision was made on the APRB's proposal, and in 1969 the APRB was dissolved.

The preoccupation with federal development initiatives also marked the decline of APEC's importance to the Atlantic Premiers. After the creation of the ADB, APEC rarely participated in the Atlantic Premiers Conferences. APEC was also concerned with the federal government's assumption of regional development proposals. As early as 1963, APEC recognized that its influence with the Premiers was declining, and that its private sector support was not enough to sustain its activities. However, APEC continued its insistence that the Premiers develop regional initiatives and guard against too much federal interference.

While the period from 1961 to 1965 was marked by a reliance on federal development initiatives, the period from 1965 to 1971 brought interprovincial cooperation back into balance with federal-regional cooperation. At the same time, Newfoundland stopped participating in the Atlantic Premiers Conferences. Interprovincial cooperation, therefore, fell mainly on the shoulders of the three Maritime provinces.

This became especially true with New Brunswick Premier Robichaud's call for Maritime union. The subsequent creation of the Maritime Union Study was important, therefore, in its role as a vehicle to study and promote Maritime regional cooperation. During this same period, a number of interprovincial Cabinet Committees were established to investigate greater cooperation in tourism and industrial development. Interprovincial cooperation resulted in such cooperative activities as the Atlantic Provinces Survey and Mapping Program, participation at the Eastern States Exposition and the Atlantic Pavilion at Expo '67. Regional responses to federal policies were reached in the areas of transportation and health and welfare services.

The recommendations of the Maritime Union Study in hindsight were not as surprising as they seemed. That is, interprovincial cooperation had achieved a remarkable amount, yet the region had for too long been dependent on federal regional development policies. The creation of the Department of Regional Economic Expansion signaled an even greater federal presence in the affairs of the region, and it was clearly evident that something had to be done immediately to preserve the role of the Maritime region as an equal in the Canadian federation.

The Maritime Union Study looked at ways to achieve greater interprovincial cooperation and ultimately integration. The Report of the Maritime Union Study proposed full political union, and left the strategic decisions to the Premiers. The creation of the Council of Maritime Premiers was indeed a recognition of the need for greater integration and coordination of the three Maritime provincial governments.

The three objectives of the Council of Maritime Premiers--to promote unity of purpose, to ensure maximum coordination, and to establish the framework for joint actions and undertakings--reflects the assertion of the Blakeny Report of 1951 which began the process of greater interprovincal cooperation.[3] As Dr. Blakeny wrote, "To accomplish objectives in these provinces, we must speak with a united voice, and know whereof we speak."[4] It can be concluded, therefore, that the creation of the Council of Maritime Premiers was the culmination of the 20-year long process of achieving more formalized interprovincial cooperation.

Appendix A

Key Players

(in alphabetic order)

Anglin, G.G.	President of the Maritime Provinces Board of Trade, 1953.
Arsenault, Frederick	Secretary to the Maritime Union Study, 1968-70.
Bergasse, Joseph	Assistant General Manager, Industrial Enterprises Inc., Prince Edward Island.
Blakeny, Dr. C.H.	Chairman of the Industrial Development Committee, Maritime Provinces Board of Trade. Author of "Industrial Development of the Maritime Provinces," 1951.
Boudreau, Alexandre-J.	Director of Extension, Universite de Moncton, 1964.
Cairncross, Dr. A.K.	Department of Social and Economic Research, University of Glasgow. Author of "Economic Development and the Atlantic Provinces," 1961..
Campbell, Alexander B.	Premier of Prince Edward Island, 1966 to 1978.
Carson, Kenneth	Executive Assistant to Premier Flemming of New Brunswick, 1954 to 1960.
Connolly, Harold	Premier of Nova Scotia, 1954.
Crosby, J.M.	Chairman, Maritime Transportation Commission.
Desbrisay, L.G.	Minister of Industry, Government of New Brunswick, 1960 to 1970.
Deutsch, Dr. J.J.	Principal of Queen's University, 1968. Chairman of Economic Council of Canada. Special Adviser to the Maritime Union Study, 1968 to 1970.
Dickson, Craig	Executive Manager, Maritime Transportation Commission. Secretary-Coordinator of Task Force under the Atlantic Provinces Cabinet Committee on Transportation, 1968.
Diefenbaker, John G.	Prime Minister of Canada, 1957 to 1963.
Drummie, Fred	Secretary to the Treasury Board, Government of New Brunswick, 1960. Economic Adviser to the Government of New Brunswick, 1961 to 1968. Executive Director of Maritime Union Study, 1968 to 1970.

Farmer, Alan	Supervisor of Area Services and Promotion Division, Department of Trade and Industry, Government of Nova Scotia. Provincial Regional Chairman, Atlantic Provinces Exhibit at the Eastern States Exposition, 1968.
FitzRandolph, R.S.	Comptroller General, Government of New Brunswick, 1956.
Flemming, Hugh John	Premier of New Brunswick, 1952 to 1960. Minister of National Revenue, Government of Canada, 1963.
Gallagher, Delbert W.	Assistant to the Economic Adviser, Government of New Brunswick, 1957 to 1960. Economic Adviser, 1960. Chairman of Atlantic Provinces Research Board, 1961 to 1968. General Manager, Prince Edward Island Economic Improvement Corporation, 1966.
Ganong, R. Whidden	President of the Atlantic Provinces Economic Council, 1955 to 1956.
Hatfield, Richard B.	Premier of New Brunswick, 1970 to present.
Hellyer, Paul	Minister of Transportation, Government of Canada, 1967-1969.
Hicks, Henry D.	Premier of Nova Scotia, 1954 to 1956.
Jamer, H. Watson	Agent General of Atlantic Provinces House, 1958 to 1968.
Johnson, Arthur	Deputy Minister of Economic Development, Government of Newfoundland. Vice-President Atlantic Provinces Economic Council. Chairman of Atlantic Provinces Research Board, 1958 to 1960. President of Atlantic Provinces Economic Council, 1960.
Jones, W.S.K.	Minister of Trade and Industry, Government of Nova Scotia, 1965. Commissioner-General, Atlantic Provinces Pavilion at Expo '67.
Lewis, P.J.	Minister without Portfolio, Government of Newfoundland, 1953.
Linkletter, Zilpha	Director of Economics, Department of Trade and Industry, Government of Nova Scotia.
Macdonald, Angus L.	Premier of Nova Scotia, 1943 to 1954.
Mackay, A. Murray	Chairman, Maritime Transportation Commission.
MacLeod, Innis	Executive Assistant to Premier Stanfield of Nova Scotia, 1956 to 1967.

MacLeod, Robert	Executive Assistant to Premier Matheson of Prince Edward Island, 1956 to 1959.
Mann, O. Nelson	Executive Manager (Executive Vice President) of the Atlantic Provinces Economic Council, 1954 to 1970. Secretary, Continuing Committee of the Atlantic Premiers Conference, 1956. Secretary to Atlantic Provinces Economic Council Power Committee, 1958.
Marchand, Jean	Minister of Forestry and Rural Development, Government of Canada, 1968. Minister of Regional Economic Expansion, 1969.
Matheson, Alexander W.	Premier of Prince Edward Island, 1953 to 1959.
Nowlan, George	Minister of National Revenue, Government of Canada, 1957-1963; Minister of Finance 1963.
Parkes, A.T.	Executive Secretary, Maritime Provinces Board of Trade, 1954.
Parks, Arthur C.	Director of Research, Atlantic Provinces Economic Council. Secretary-Treasurer of Atlantic Provinces Research Board, 1958.
Pearson, Lester B.	Prime Minister of Canada, 1963 to 1968.
Plow, Maj.-Gen. E. C.	Atlantic Regional Director, Expo '67.
Pushie, Gordon	Director of Economic Development, Government of Newfoundland, 1953 to 1962.
Regan, Gerald	Premier of Nova Scotia, 1970 to 1978.
Roberts, Willis	Director of Surveys, New Brunswick. President of Canadian Institute of Surveys. Technical Director, Atlantic Provinces Survey and Mapping Program, 1968.
Robichaud, Louis J.	Premier of New Brunswick, 1960 to 1970.
Searles, Ron	Supervisor of Marketing, Department of Economic Growth, Government of New Brunswick, 1968 to 1969.
Shaw, Walter R.	Premier of Prince Edward Island, 1959 to 1966.
Smallwood, Joseph R.	Premier of Newfoundland, 1949 to 1972.
Smith, George I.	Premier of Nova Scotia, 1967 to 1970.
Smith, Professor W.Y.	Professor of Economics, University of New Brunswick. Economic Adviser to the Government of New Brunswick, 1954 to 1960. President of Atlantic Provinces Economic Council, 1961 to 1962. Chairman of the Atlantic Development Council, 1969.

Stanfield, Robert L.	Premier of Nova Scotia, 1956 to 1967.
St. Laurent, Louis S.	Prime Minister of Canada, 1948 to 1957.
Taylor, Kenneth W.	Deputy Minister of Finance, Government of Canada, 1953 to 1963. Special Adviser to the Privy Council, 1964. Professor of Political Economy at McMaster University. Nominated to head Maritime Union Study.
Tweeddale, R.E.	General Manager, New Brunswick Electric Power Commission. Member of Atlantic Tidal Power Programming Board, 1966 to 1968.
Wardell, Brigadier M.	Publisher of Fredericton Daily Gleaner and Atlantic Advocate. Chairman of Atlantic Development Board, 1963.
Weeks, Dr. E.P.	Executive Director, Atlantic Development Board, 1962 to 1969. Member of Atlantic Tidal Power Programming Board, 1966 to 1968.

Appendix B

Chronology

July, 1948	New England-Maritime Business Conference, Digby, Nova Scotia.
1949	Interprovincial Health Planning Committee of the Atlantic Provinces established.
October 1, 1951	Report titled "Industrial Development of the Maritime Provinces" by Dr. C.H. Blakeny, Chairman of Industrial Development Committee submitted at Maritime Provinces Board of Trade Annual Meeting, Sydney, Nova Scotia.
October 8, 1952	"Proposal for a Survey of Economic Conditions in the Maritime (Atlantic) Provinces of Canada" by Dr. C.H. Blakeny unanimously adopted at Maritime Provinces Board of Trade Annual Meeting, Charlottetown, Prince Edward Island.
September 14, 1953	Roundtable Conference, Moncton, New Brunswick. Attending were Premiers Hugh John Flemming (New Brunswick); Angus L. Macdonald (Nova Scotia): and Alexander Matheson (Prince Edward Island); Hon. P.J. Lewis representing the Government of Newfoundland; and Maritime Provinces Board of Trade Executive Committee. Decision to create Atlantic Provinces Economic Council (APEC).
September 28, 1954	APEC Organizational Meeting, Halifax, Nova Scotia. Attending were Premiers Flemming (New Brunswick); Joseph R. Smallwood (Newfoundland); Henry D. Hicks (Nova Scotia); A. Matheson (Prince Edward Island); APEC appointees; and Walter P. Raleigh, Executive Vice President, New England Council.
January 27, 1955	Second APEC Organizational Meeting, Moncton, New Brunswick. Nelson Mann appointed Executive Manager. Constitution and By-Laws adopted.
March 28, 1955	First General Meeting of APEC. R. W. Ganong elected President.
May 15, 1955	Second APEC Board of Directors Meeting. Permanent working committees established (Trade, Power, Tourism, Agriculture).
September 14-16, 1955	APEC Seminar "The Atlantic Economy" at University of New Brunswick, Fredericton, New Brunswick. Premiers Flemming (New Brunswick) Hicks (Nova Scotia) and Matheson (Prince Edward Island) attending.

April 24,1956	Speech by Prime Minister Louis St. Laurent to Canadian Labour Congress, Toronto, Ontario. Called for economic redevelopment of Atlantic region.
July 9, 1956	First Atlantic Premiers Conference, Fredericton, New Brunswick. Premiers Flemming (New Brunswick), Smallwood (Newfoundland), Hicks (Nova Scotia) and Matheson (Prince Edward Island) attending. Continuing Advisory Committee established.
September 17-18, 1956	Joint APEC-New England Council Conference, Bar Harbor, Maine. Permanent liaison committees established.
November 28, 1956	Atlantic Provinces Ministers and Deputy Ministers of Agriculture meeting with Maritime Federation of Agriculture, Moncton, New Brunswick. Joint brief presented to federal Minister of Agriculture, December 24, 1956.
November 30, 1956	First Annual APEC Conference, Saint John, New Brunswick. Premiers Flemming (New Brunswick), Smallwood (Newfoundland), Robert Stanfield (Nova Scotia) and Matheson (Prince Edward Island) attending. Provincial committees established to coordinate work of four permanent committees.
March 20, 1957	APEC Executive meetings with Prime Minister John Diefenbaker and members of federal Cabinet, Ottawa, Ontario. Honourable Robert L. Winters, Minister of Public Works, named Cabinet-APEC Liaison Officer.
February 5, 1957	Meeting of the Continuing Committee of the Atlantic Premiers Conference, Halifax, Nova Scotia.
May 7-8, 1957	Atlantic Apparel and Footwear Exhibit, Halifax, Nova Scotia. Co-sponsors APEC and Canadian Manufacturers Association (Atlantic Division).
May 8, 1957	Second Atlantic Premiers Conference, Halifax, Nova Scotia. Premiers Flemming (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Matheson (Prince Edward Island) attending. Capital Projects Committee, Committee on Northern Lands, Atlantic Provinces Representation Committee and Premiers Committee (replacing Continuing Committee) established.
September 23-24, 1957	Third Atlantic Premiers Conference, Charlottetown, Prince Edward Island. In conjunction with second Annual APEC Conference. Premiers Flemming (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Matheson (Prince Edward Island) attending. Committee named to proceed with the establishment of an Agent General's Office in United Kingdom.

April 28-29, 1958	Atlantic Food Show and Convention, Moncton, New Brunswick. Sponsored by APEC.
May 28, 1958	Opening of Canadian Atlantic Provinces House in London, United Kingdom, H. Watson Jamer, Agent General. Premiers Flemming (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Matheson (Prince Edward Island) attending. Later visited Universal and International Exhibit in Brussels, Belgium.
August 3-5, 1958	Second APEC-New England Council Economic Conference, Saint John, New Brunswick.
September 22-23, 1958	Fourth Atlantic Premiers Conference, St. John's, Newfoundland. Held in conjunction with APEC Annual Conference. Premiers Flemming (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Matheson (Prince Edward Island) attending. Atlantic Provinces Research Board established.
October 17-18, 1958	APEC seminar "To Assess and Determine the Needs and Opportunities for Economic and Socio-Economic Research in Canada's Atlantic Provinces," Dalhousie University, Halifax, Nova Scotia.
December 11, 1958	First meeting of Atlantic Provinces Research Board. Arthur Johnson named Chairman.
January, 1959	Atlantic Products Promotion and Identification Program (PIP) launched by APEC.
May 27, 1959	Atlantic Provinces Industrial Exposition, Saint John, New Brunswick.
September 14-15, 1959	Fifth Atlantic Premiers Conference, Fredericton, New Brunswick. Held in conjuncton with Annual APEC Conference. Premiers Flemming (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Walter Shaw (Prince Edward Island) attending.
November 18, 1959	Agreement signed among New Brunswick Electric Power Commission, Nova Scotia Power Commission and Nova Scotia Light and Power Company to establish interprovincial power grid.
January 5, 1960	Management Committee of APEC, Atlantic provinces Deputy Ministers of Industry and Canadian Manufacturers' Association officials meeting. Agree to establish Export Planning Committee. Sub-committee of Deputy Ministers meeting July 25, 1960 in Halifax, Nova Scotia.
April 2-5, 1960	Atlantic Premiers in London, United Kingdom, to inaugurate Trans-Canada Airlines Halifax to London.

April 13, 1960	Interprovincial School for the Education of the Deaf established, Amherst, Nova Scotia.
September 21, 1960	Sixth Atlantic Premiers Conference, Halifax, Nova Scotia. Held in conjunction with Annual APEC Conference. Premiers Louis J. Robichaud (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Shaw (Prince Edward Island) attending. Also in attendance were Atlantic region Senators and Members of Parliament.
September 22, 1960	Opening of Interprovincial Power Grid.
February, 1961	Atlantic Provinces Research Board released "Economic Development and the Atlantic Provinces" by Dr. A.K. Cairncross.
April 10, 1961	Tabling of the Report of the MacPherson Royal Commission on Transportation in House of Commons, Ottawa, Ontario.
December 8, 1961	Seventh Atlantic Premiers Conference, Charlottetown, Prince Edward Island. Premiers Robichaud (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Shaw (Prince Edward Island) attending.
1962	Atlantic Provinces Inter-University Committee on the Sciences established.
July 23, 1962	Eighth Atlantic Premiers Conference, St. John's, Newfoundland. Premiers Robichaud (New Brunswick); Smallwood (Newfoundland); Stanfield (Nova Scotia); and David Stewart, Provincial Secretary, and Melvin McQuaid, Treasurer, representing Government of Prince Edward Island, attending. Interprovincial Cabinet Committee on Transportation established.
September 10, 1962	APEC and New England Council economists meet at University of Maine in Orono. Agree to study ways in which the two regions might cooperate better.
September 24, 1962	Atlantic provinces Deputy Ministers of Industry meet with Agent General Watson Jamer to discuss Atlantic Provinces House.
November 1, 1962	APEC delegation meets with members of federal Cabinet to discuss proposed Atlantic Development Board (ADB). Organizational group, comprised of Hon. Hugh John Flemming, Hon. George Nowlan, Nelson Mann, W. Y. Smith, established to rough out legislation.
February 2, 1963	First official meeting of ADB.

April 1, 1963	Federal government agrees to undertake 90 percent of costs of uncompleted Trans-Canada Highway in Atlantic provinces.
April 1963	ADB given $100 million project fund by new Liberal government in Ottawa. Asked to design a federal development policy for Atlantic region.
June, 1963	Premier Stanfield of Nova Scotia representing Atlantic Premiers, J.M. Crosby, Chairman of Maritime Transportation Commission and Craig Dickson, Executive Manager of Maritime Transportation Commission, meet with federal Transport Minister McIlraith. Discuss needs of Atlantic provinces in new federal transportation policy.
July 16, 1963	Ninth Atlantic Premiers Conference, Fredericton, New Brunswick. Premiers Robichaud (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Shaw (Prince Edward Island) attending. Agree to meet with federal officials to discuss new Atlantic Development Board.
July 25, 1963	Atlantic Premiers meet with federal Secretary of State, Jack Pickersgill, and other Cabinet Ministers, Ottawa, Ontario. Discuss mandate of Atlantic Development Board.
November 26, 1963	Atlantic Premiers agree on Nova Scotia proposal to ensure that the Federal government retain a significant portion of its tax fields. Agreement reached at the First Ministers Conference on Fiscal Relations, November 26-29, 1963, Ottawa, Ontario.
1964	Association of Atlantic Universities established.
August 31 - September 2, 1964	First Ministers Conference on the Constitution, Charlottetown, Prince Edward Island. Premier Robichaud of New Brunswick proposes union of the Atlantic provinces.
September 30, 1964	Tenth Atlantic Premiers Conference, Halifax, Nova Scotia. Premiers Robichaud (New Brunswick), Smallwood (Newfoundland), Stanfield (Nova Scotia) and Shaw (Prince Edward Island) attending. Agreement on provinces' rights to offshore resources. Draw up map delimiting offshore jurisdictions. Premiers Robichaud and Stanfield agree to seek legislative approval to study union.
October 12, 1964	Atlantic Premiers place request before federal government to update national transportation policy.

December 14, 1964	New Brunswick Minister of Industry, L. G. DesBrisay, advocates coordination of industrial development in Atlantic provinces. Speech to Amherst, Nova Scotia, Rotary Club.
1965	Committee on the Sciences of the Association of Atlantic Universities established.
February 5-7, 1965	Mount Allison University and Canadian Institute on Public Affairs co-sponsor conference on "The Idea of Maritime Union," Sackville, New Brunswick.
February 16, 1965	Unanimous resolution in Nova Scotia Legislature to study Maritime Union.
February 24, 1965	Atlantic provinces announce that they will jointly fund Atlantic Pavilion at Expo '67.
February 25, 1965	Unanimous resolution in New Brunswick Legislature to study Maritime Union.
June, 1965	Federal Minister of Transportation announces terms of reference for Atlantic Provinces Transportation Study.
July 8, 1965	Prime Minister Pearson calls for tenders for construction of Northumberland Strait causeway.
July 19-22, 1965	Atlantic Premiers meet with Western Premiers, Prime Minister and federal Cabinet Ministers to work out maximum freight rate formula at the Federal-Provincial Conference, Ottawa, Ontario.
September 20-21, 1965	APEC-New England Council Conference, Boston, Massachusetts.
November 22, 1965	Eleventh Atlantic Premiers Conference, Charlottetown, Prince Edward Island. Premiers Robichaud (New Brunswick), Stanfield (Nova Scotia) and Shaw (Prince Edward Island) with Dr. F. Rowe representing the Government of Newfoundland attending.
1966	Regional Committee of the Atlantic Provinces on the Health Resources Fund established.
August, 1966	Canada, New Brunswick and Nova Scotia establish Atlantic Tidal Power Programming Board.
November 28, 1966	Twelfth Annual Atlantic Premiers Conference, to be held in St. John's, Newfoundland, cancelled due to weather.
May 30, 1967	Release of "Atlantic Provinces Transportation Study" by federal Department of Transport.

June, 1967	Marketing Conference between New Brunswick Department of Finance and Industry and Nova Scotia Department of Trade and Industry, Saint John, New Brunswick. Agree to send regional exhibit to Eastern States Exposition in West Springfield, Massachusetts in 1968.
November 16, 1967	Second Marketing Conference, Moncton, New Brunswick. Discussed Eastern States Exposition.
November 25, 1967	Thirteenth Atlantic Premiers Conference, Toronto, Ontario. Preceding Confederation of Tomorrow Conference. Premiers Robichaud (New Brunswick), George I. Smith (Nova Scotia) and Alexander Campbell (Prince Edward Island) attending. Newfoundland not represented. Discussion of study on Maritime union.
December 13, 1967	Federal Minister of Transport, Paul Hellyer, requests Atlantic Premiers' input into new Atlantic provinces transportation policy.
January 13, 1968	Third Marketing Conference, Charlottetown, Prince Edward Island. Discussed Eastern States Exposition
January 18, 1968	Atlantic Provinces Cabinet Committee on Transportation formed in response to Transport Minister Hellyer's request. First meeting in Moncton, New Brunswick.
February 6, 1968	Fourteenth Atlantic Premiers Conference, Ottawa, Ontario. Preceding Federal-Provincial Constitutional Conference. Premiers Robichaud (New Brunswick), Smith (Nova Scotia) and Campbell (Prince Edward Island) attending. Newfoundland not represented.
March 25, 1968	Governments of New Brunswick, Nova Scotia, Prince Edward Island and Maine meet in Fredericton, New Brunswick, to discuss Corridor Road.
March 26,1968	Maritime Union Study established by resolutions in New Brunswick, Nova Scotia and Prince Edward Island legislatures. Dr. J.J. Deutsch appointed as Special Adviser. Fred Drummie appointed as Executive Director.
April 1, 1968	Atlantic Provinces Survey and Mapping Program established.
July, 1968	Atlantic provinces Ministers of Education meeting to discuss Atlantic Institute of Education.
September, 1968	Atlantic Canada Exhibit at Eastern States Exposition, West Springfield, Massachusetts.

September 24-25, 1968	Atlantic Provinces Cabinet Committee on Transportation meeting, St. John's, Newfoundland.
October 11, 1968	Atlantic Ministers of Welfare meeting, Moncton, New Brunswick. Discuss program to alleviate poverty in the region.
October 29, 1968	Federal Minister of Forestry and Rural Development, Jean Marchand, agrees to provide matching funds for Maritime Union Study.
November 29, 1968	Directors of Tourism for Maritime provinces meet in Fredericton, New Brunswick. Discuss joint tourism promotion.
December 15, 1968	Fifteenth Atlantic Premiers Conference, Ottawa, Ontario. Preceding First Ministers Conference on the Constitution. Premiers Robichaud (New Brunswick), Smith (Nova Scotia) and Campbell (Prince Edward Island) attending. Newfoundland not represented. Atlantic Provinces Research Board dissolved.
January 7, 1969	Atlantic Provinces Cabinet Committee on Transportation meeting, Halifax, Nova Scotia.
February 9, 1969	Sixteenth Atlantic Premiers Conference, Ottawa, Ontario. Preceeding Federal-Provincial Constitutional Conference. Premiers Robichaud (New Brunswick), Smith (Nova Scotia) and Campbell (Prince Edward Island) attending. Newfoundland not represented. Met with Dr. Deutsch to discuss Maritime Union Study.
February 17-24, 1969	House of Commons Standing Committee on Transportation and Communications holds hearings in capital cities in region.
March 9, 1969	Federal government scraps Northumberland Strait causeway. Governments of Canada and Prince Edward Island sign fifteen-year Comprehensive Development Agreement.
March, 1969	Federal Department of Regional Economic Expansion created. Atlantic Development Board abolished. Atlantic Development Council established.
March 10, 1969	Release of Atlantic Provinces Cabinet Committee Report "The Basic Elements of an Atlantic Provinces Transportation Policy" (The Premiers' Report).
June 17, 1969	Tabling of the Report of the House of Commons Standing Committee on Transportation and Communications titled "Report on the Problems of Transportation in the Atlantic Provinces."

August 25, 1969	Ministers of Welfare of Maritime provinces submit report to Federal Minister of National Health and Welfare, John Munro. Report titled "A Program for the Elimination of Poverty in the Atlantic Provinces."
September 2, 1969	Federal-Provincial Committee on Transportation established.
September 12-21, 1969	Atlantic Canada Exhibit at Eastern States Exposition, West Springfield, Massachusetts.
September 25, 1969	Seventeenth Atlantic Premiers Conference, Charlottetown, Prince Edward Island. Premiers Robichaud (New Brunswick), Smith (Nova Scotia) and Campbell (Prince Edward Island) attending. Premier Smallwood represented by Alain Frecker, Minister of Provinical Affairs and Dr. D.Z. Sometz, Deputy Minister of Community and Social Development.
July 10, 1970	Release of first Report of Federal-Provincial Committee on Transportation in the Atlantic region.
November 26, 1970	Release of Maritime Union Study, Charlottetown, Prince Edward Island. Premiers Richard Hatfield (New Brunswick), Gerald Regan (Nova Scotia) and Alexander Campbell (Prince Edward Island) attending. Report advocated full political union, following creation of Council of Maritime Premiers, Maritime Provinces Commission and Joint Legislative Assembly.
January 27, 1971	Meeting of the Maritime Premiers, Halifax N.S. Premiers Hatfield (New Brunswick), Regan (Nova Scotia) and Campbell (Prince Edward Island) attending. Discuss Fundy tidal power. Agree to establish Council of Maritime Premiers.
May 25, 1971	First Council of Maritime Premiers Conference, Fredericton, New Brunswick. Premiers Hatfield (New Brunswick), Regan (Nova Scotia) and Campbell (Prince Edward Island) sign agreement establishing Council of Maritime Premiers.

FOOTNOTES

Chapter One

1. Blakeny, Dr. C. H., "Industrial Development of the Maritime Provinces," Report of the Industrial Development Committee to the Annual Meeting of the Maritime Provinces Board of Trade, October 1, 1951, pp. 2-7

2. Blakeny, Dr. C. H., "Proposal for Survey of Economic Conditions in the Maritime Provinces of Canada," Report to the Annual Meeting of the Maritime Provinces Board of Trade, October 8, 1952, p. 2

3. Ibid., p. 3

4. "Maritime Union Talk Renewed," Halifax Chronicle-Herald, September 14, 1953, pp. 1-2

5. The following discussion is summarized from "Transcript Maritime Provinces of Board of Trade -- Premiers' Meeting," Moncton, New Brunswick, September 14, 1953, pp. 1-12

6. Hon. Angus L. Macdonald, Premier of Nova Scotia to Maritime Provinces Board of Trade -- Premiers' Meeting, in "Transcript Maritime Provinces Board of Trade -- Premiers' Meeting," September 14, 1953, p. 9

7. Hon. Hugh John Flemming, Premier of New Brunswick to Maritime Provinces Board of Trade -- Premiers' Meeting, in "Transcript Maritime Provinces Board of Trade -- Premiers' Meeting," September 14, 1953, p. 9

8. Blakeny, Dr. C. H., "Recommendations for the Establishment of an Atlantic Provinces Economic Council to Survey the Economic Conditions in the Atlantic Provinces of Canada," Adopted at the Annual Meeting of Maritime Provinces Board of Trade, October 5, 1953

9. Letter from A. T. Parkes, Executive Secretary, Maritime Provinces Board of Trade to Hon. Hugh John Flemming, December 8, 1953

10. Letter from A. T. Parkes to Hon. A. W. Matheson, December 8, 1953

11. From copy of cable received by A. T. Parkes from T. S. A. Freeman, Vice-President (Newfoundland), Maritime Provinces Board of Trade, December 16, 1953

12. From an interview with Lois Duffy, Office Manager, Atlantic Provinces Economic Council, Halifax, Nova Scotia, June 27, 1984

13. From copy of letter to Premiers Flemming (New Brunswick), Smallwood (Newfoundland), Matheson, (Prince Edward Island) from Hon. Harold Connolly, Premier of Nova Scotia, July 15, 1954

14. The following discussion is summarized from the minutes "Atlantic Provinces Economic Council Initial Meeting," Halifax, Nova Scotia, September 28, 1954

15. Ibid., pp. 1-2

16. See the Minutes, "Atlantic Provinces Economic Council Minutes of the Council Meeting," Moncton, New Brunswick, January 27, 1955

17. Ibid., p. 1. It states in the Minutes that "Mr. Arthur Johnson said that the Department of Economic Development would carry the full share for Newfoundland and that possibly another year would contact firms in obtaining fees."

18. "By-laws of 'The Atlantic Provinces Economic Council,'" approved at A.P.E.C. General Meeting, March 28, 1955

19. Speech by Nelson Mann, Executive Manager, A.P.E.C., to the Halifax Rotary Club, May 24, 1955

20. Quoted by Mann in Speech to Halifax Rotary Club, May 24, 1955

21. Christie, A. G., "Report to the Dominion Coal Board on Thermal Power from Canadian Coal: the Maritimes Situation," mimeographed copy, no publisher, September 20, 1954, p.8

22. Ibid., p.11

23. From typed notes of Nelson Mann from A.P.E.C. Seminar titled "A.P.E.C. and Economic Development," Fredericton, New Brunswick, September 16, 1955

Chapter Two

1. From an interview with W. Y. Smith, Fredericton, New Brunswick, July 17, 1984

2. Government of Nova Scotia, "Statement by Hon. Henry D. Hicks, Premier of Nova Scotia Federal-Provincial Conference," mimeographed copy, March 9, 1956

3. Ibid.

4. See Government of New Brunswick, "The Case for National Adjustment Grants," no date

5. Special subsidies had been paid to the Maritime Provinces under Section 118 of the British North American Act (1967-1907) and on the recommendation of the Duncan Royal Commission on Maritime Claims (1926) and the White Commission (1935). A transitional subsidy was paid to Newfoundland also under its terms of union with Canada in 1949.

6. Speech by Hon. Louis St. Laurent, Prime Minister of Canada to Canadian Labour Congress, Toronto, Ontario, April 24, 1956. Also quoted in "The Fredericton Conference of Atlantic Premiers," Atlantic Advocate, Vol. 47, No. 1, September 1956, p. 28

7. Telegram from Hon. Hugh John Flemming, Premier of New Brunswick, to Hon. Henry D. Hicks, Premier of Nova Scotia, April 29, 1956

8. Ibid.

9. Taken from transcript of recorded interview by Janet Toole with Hon. Hugh John Flemming, Hugh John Flemming Oral History Transcripts, University of New Brunswick

10. From an interview with Janet Toole, Fredericton, New Brunswick, July 16, 1984

11. From an interview with Robert MacLeod, Q.C., Charlottetown, Prince Edward Island, August 9, 1984

12. Ibid.

13. Ibid.

14. "Opening Address by Hon. Hugh John Flemming, Premier of New Brunswick, Conference of the Atlantic Premiers," Fredericton, New Brunswick, July 9, 1956

15. Taken from Minutes of Atlantic Premiers Conference, July 9, 1956, no title

16. Ibid.

17. Ibid.

18. Ibid.

19. Hon. Hugh John Flemming, Premier of New Brunswick, "Speech Delivered at the Atlantic Premiers Conference," July 9, 1956

20. Ibid.

21. From an interview with W. Y. Smith, Fredericton, New Brunswick, July 17, 1984

22. Hon. Hugh John Flemming, "Speech Delivered at the Atlantic Premiers Conference," July 9, 1956

23. Ibid.

24. Hon. Hugh John Flemming, "Speech Delivered at the Atlantic Premiers Conference," July 9, 1956

25. Speech by Hon. A. W. Matheson, Premier of Prince Edward Island, to Atlantic Premiers Conference, July 9, 1956

26. Hon. Hugh John Flemming, "Speech Delivered to the Atlantic Premiers Conference," July 9, 1956

27. Speech by Hon. A. W. Matheson to Atlantic Premiers' Conference, July 9, 1956

28. Ibid.

29. Speech by Hon. Joseph Smallwood, Premier of Newfoundland to Atlantic Premiers Conference, July 9, 1956

30. Ibid.

31. Ibid.

32. Atlantic Provinces Economic Council, "Statement by Atlantic Provinces Economic Council at the Atlantic Provinces Premiers' Conference," Fredericton, New Brunswick, July 9, 1956, p. 3

31. Maritimes Transportation Commission, "Statement by A. Murray Mackay (Halifax), Chairman, Maritimes Transportation Commission made at the Atlantic Premiers' Conference, Fredericton, New Brunswick, July 9, 1956, p. 1

32. Ibid., pp.3-4

33. Taken from handwritten notes by Nelson Mann at Atlantic Premiers Conference, July 9, 1956

34. Ibid.

35. Ibid.

38. Taken from Minutes of the Continuing Committee of the Atlantic Premiers Conference, Fredericton, New Brunswick, July 9, 1956

39. Taken from transcript of recorded interview by Janet Toole with Hon. Hugh John Flemming, Hugh John Flemming Oral History Transcripts, University of New Brunswick

40. Alvin Savage, "Premiers wind up meeting on note of 'reserved optimism,'" Halifax Chronicle-Herald, July 10, 1956, p. 1

41. Ibid.

42. Ibid.

43. Initial correspondence was made in a letter from Hon. Henry D. Hicks, Premier of Nova Scotia, to Hon. Louis St. Laurent, Prime Minister of Canada, June 28, 1956. A second letter from Hicks to St. Laurent of August 18, 1956, requested a meeting between the two on transportation matters.

44. *Ibid*.

45. Telegram from Hon. Henry D. Hicks, Premier of Nova Scotia, to Atlantic Provinces' Premiers, September 4, 1956

46. *Ibid*.

47. From an interview with Reg Gilbert, Fredericton, N.B., July 18, 1984

48. *Ibid*.

49. The program for the two-day conference was convened "for the purposes of furthering those [historic, cultural and economic] ties and of exploring and developing ways and means for an increasing interchange of goods and services." in "Joint Economic Conference" brochure, September 17-18, 1957

50. Minutes of Atlantic Provinces Economic Council Executive Meeting, Item 9, February 8, 1957

51. Opening address by Hon. Robert Stanfield, Premier of Nova Scotia, to the Atlantic Premiers' Conference, Halifax, N.S., May 8, 1957

52. Opening address by Hon. Hugh John Flemming, Premier of New Brunswick, to the Atlantic Premiers' Conference, May 8, 1957

53. *Ibid*.

54. Opening address by Hon. A. W. Matheson, Premier of Prince Edward Island, to the Atlantic Premiers' Conference, May 8, 1957

55. Membership on the Committees was as follows:

Premiers Committee

Nova Scotia	Innis G. MacLeod Admin. Asst. to the Premier
New Brunswick	Kenneth G. Carson. Executive Assistant to the Premier
Prince Edward Island	Robert G. MacLeod Executive Asstistant to the Premier
Newfoundland	Gordon Pushie Director General of Economic Development

Atlantic Provinces Representation Committee

Nova Scotia	Hon. E. A. Manson Minister of Trade and Industry
New Brunswick	Hon. J. Roger Pichette Minister of Industry and Development
Prince Edward Island	Brig. W. W. Reid Deputy Minister of Welfare and Labour

Newfoundland	Arthur Johnson Deputy Minister of Economic Development

Capital Projects Committee

Nova Scotia	John A. Y. MacDonald Deputy Attorney General
New Brunswick	Prof. W. Y. Smith Economic Adviser to the Government of New Brunswick
Prince Edward Island	Robert G. MacLeod Executive Assistant to the Premier
Newfoundland	Gordon Pushie Director General of Economic Development

Northern Lands Committee

Nova Scotia	Charles L. Beazley Deputy Provincial Secretary
New Brunswick	D. W. Gallagher Asst. Economic Adviser to the Government
Prince Edward Island	Prof. B. W. Hodgins Prince of Wales College

Newfoundland The Hon. Mr. Smallwood advised: "It is understood that this was a project which affected the three Maritime Provinces but not specifically Newfoundland, so I am not appointing a representative on that committee. However should anything arise which would require co-operation on our part, this could be cleared through Mr. Pushie."

Taken from "Minutes of Atlantic Provinces Premiers' Conference," May 8, 1957

56. MacNutt, W.S., "A Commentary on the Atlantic Premiers' Conference at Halifax, on May 8th 1957" in Atlantic Advocate, Vol. 47, No. 9, June 1957, p.13

57 Ibid.

58. From an interview with Ray Scovil and Reg Gilbert, Fredericton, New Brunswick, July 18, 1984

59. The following discussion is a summary of the Opening addresses to the Atlantic Premiers' Conference, Charlottetown, P.E.I., September 23, 1957

60. Opening address of Hon. Robert Sharfield, Premier of Nova Scotia, to the Atlantic Premiers' Conference, September 23, 1957

61. Maritimes Transportation Commission, "Statement by Mr. A. Murray Mackay, Halifax, Chairman, Maritimes Transportation Commission," at the Atlantic Premiers' Conference, Charlottetown, P.E.I., September 23, 1957, p. 4

62. Hodgins, Bruce W., "Maritime Claims Relative to the Prairie Provinces' "Land" Subsidy and to the Northern Lands Question," prepared by the Government of Prince Edward Island for the Conference of the Premiers of the Atlantic Provinces, September 23-24, 1957, p. 1

63. Ibid., p. 29

64. Ibid., p. 30

65. Taken from the Press Release issued at the end of the Atlantic Premiers' Conference, Charlottetown, P.E.I., September 24, 1957, pp. 1-4

66. Taken from an interview with Janet Toole, Fredericton, N.B., July 16, 1984

67. Government of Canada, Department of Finance, Federal-Provincial Relations Division, "Note on the Meeting with Officials of the Atlantic Provinces on December 17 & 18, 1957, at Halifax," (Ottawa: December 31, 1957), p. 2

68. Prince Edward Island's legislation was headed Atlantic Provinces House Act (1959, Chapter 2). Nova Scotia, Estimates of Revenue and Expenditure for Public Service of Nova Scotia for the Fiscal Year, ending 31st March, 1959. An expenditure of $19,500 was recorded under the Department of Public Service, p. 51

69. "Informal 'Chats' Replacing Newfoundland Conference," Saint John Telegraph-Journal, May 28, 1958, no page reference

70. Maritime Union Study, "Atlantic House," unpublished case study prepared for the Maritime Union Study, Fredericton, N.B., no date, p. 4

71. Ibid.

72. According to another report, "Premier Joseph Smallwood of Newfoundland has publicly [sic] questioned the value of the operation on a number of occasions and the Prince Edward Island government is reported to hold similar doubts about its usefulness." in "Agent General Has Submitted Resignation," Halifax Chronicle-Herald, October 1, 1968, p. 3

73. Noxon, S., "APEC and New England: A Report on the Second Joint Economic Conference," Atlantic Advocate, Vol. 49, No. 1, September 1958, p. 15. Also see "NEC-APEC Conference: Summary of Panel Discussions", August, 3-5, 1958

74. Opening address by Hon. Hugh John Flemming, Premier of New Brunswick, to the Atlantic Premiers' Conference, St. John's, Newfoundland, September 23, 1958

75. Taken from an interview with Robert MacLeod, Q.C., Charlottetown, P.E.I., August 9, 1984

76. Taken from Wardell, Michael, "Atlantic Premiers & APEC meet at St. John's," Atlantic Advocate, Vol. 49, No. 2, October 1958, p. 12

77. Taken from an interview with Arthur C. Parks, Fredericton, New Brunswick, July 16, 1984. See also Parks, Arthur C. and Drummie, Fred R., "The Atlantic Provinces Research Board," Canadian Public Administration, Vol. VIII, No. 1, March 1965, pp. 1-6

78. APRB, "Report to the Premiers," September 15, 1959, p. 2

79. See Cochran, Bruce, "APEC Reports on the Atlantic Provinces Industrial Exposition at Saint John and the APEC Membership Drive," Atlantic Advocate, Vol. 49, No. 9, May 1959

80. Atlantic Provinces Research Board, "Report to the Premiers," Fredericton, New Brunswick, September 15, 1959

81. Atlantic Provinces Representation Committee, "Report of the Atlantic Provinces Representation Committee," September 1959, p. 1

82. Atlantic Provinces Economic Council, "Report to the Conference of Atlantic Premiers," September 15, 1959

83. Laforest, Gerald V., "Report on the Rights of the Provinces of Nova Scotia, New Brunswick and Prince Edward Island to the Ownership of Adjacent Submarine Resources," Fredericton, New Brunswick, September 1959, p. A (Conclusions)

84. See "Premiers Pave Way For Probe", Halifax Chronicle-Herald, September 16, 1959, pp. 1,18

85. See "Should the Province of Quebec Join the Atlantic Provinces with Montreal the Centre and Regional Capital?" in Atlantic Advocate, Vol 50, No. 3, November 1959, pp. 14-15

86. For more information on the power grid, see Maritime Union Study, "Atlantic Provinces Power Grid," unpublished case study, no date

87. Ibid., p. 2

88. See letter from Nelson Mann, Executive Vice-President APEC, to Hon. Joseph Smallwood, Premier of Newfoundland, September 2, 1960. See also letter from Hon. Alvin Hamilton, Canadian Minister of Northern Affairs and National Resources, to J. C. Macfarlane, Director of Public Relations APEC, September 12, 1960

89. Taken from an interview with Hon. Robert Stanfield, Halifax, Nova Scotia, July 23, 1984

90. For more information on the School for the Deaf, see Maritime Union Study, "Inter-provincial School for the Education of the Deaf," unpublished case study, no date

91. Interprovincial School for the Education of the Deaf, One Hundred and Fourth Annual Report 1961-62, (Amherst: 1962), p. 5

92. See "Atlantic Conference '60 Success: More than 300 Delegates Attend Representing Canada, U.S. & U.K.," APEC Newsletter, Vol 4, No. 8, October 1960

93. APEC, "Report to the Conference of Atlantic Premiers,'" Halifax, Nova Scotia, September 21, 1960, pp. 1-2

94. See "Three Premiers Call for More Concrete Planning," Halifax, Chronicle-Herald, September 22, 1960, pp. 1-2

95. "Three Premiers Call for More Concrete Planning," Halifax Chronicle-Herald, p. 1

96. Ibid.

97. See Cairncross, A. K., Economic Development and the Atlantic Provinces, (Fredericton: February 1961), pp. 1-2

98. APEC, "Submission of the Atlantic Provinces Economic Council to the Conference of Atlantic Premiers," Charlottetown, Prince Edward Island, December 8, 1961, pp. 3-4

99. See Casey, Mary, "Premiers face heavy agenda at P.E.I. meet," Halifax Chronicle-Herald, December 8, 1961, p. 1

100. See Casey, Mary, "Premiers Optimistic," Halifax Chronicle-Herald, December 9, 1961, pp. 1-2

Chapter Three

1. See Kincaid, Keith, "Atlantic Premiers set for annual conference," Halifax Chronicle-Herald, July 23,1962, p. 3

2. See "Atlantic Premiers stress transport," Halifax Chronicle-Herald, July 24, 1962, p. 1

3. See Minutes of APEC Board of Governors meeting, Fredericton, New Brunswick, October 14, 1962

4. For proof of this statement, see Maritime Union Study, "Atlantic House," unpublished case study, no date

5. Taken from an interview with Fred Drummie by telephone to Ottawa, August 24, 1984

6. Maritimes Transportation Commission, Annual Report for the Year Ended March 31, 1964, (Moncton: 1964), pp. 12-14

7. The five-point program is re-printed in Maritimes Transportation Commission, "Report of the Maritimes Transportation Commission to the Meeting of the Premiers of the Atlantic Provinces," Fredericton, New Brunswick, July 16, 1963, p. 2

8. Taken from an interview with Zilpha Linkletter, Halifax, Nova Scotia, June 26, 1984

9. Taken from an interview with Craig Dickson and Ramsay Armitage, Moncton, New Brunswick, August 14, 1984

10. APEC, "Submission of the Atlantic Provinces Economic Council to the Conference of the Atlantic Premiers," December 8, 1961, p. 3

11. See Minutes of APEC Executive Committee meeting, Halifax, Nova Scotia, November 12, 1962

12. See APEC Newsletter, Vol. 6, No. 10, December 1962

13. An Act to amend the Atlantic Development Board Act, S.C. 1963, 12 Eliz. II, ch. 5, section 9 (a)

14. See "Better ADB definition wanted," Halifax Chronicle-Herald, July 17, 1963, pp. 1-2

15. APEC, "Report to the Premiers Conference," Fredericton, New Brunswick, July 16, 1963, p. 3

16. Maritimes Transportation Commission, "Report of the Maritimes Transportation Commission to the Meeting of the Premiers of the Atlantic Provinces," July 16, 1963, p. 4

17. For more information on the funding of these institutions, see Maritime Union Study, "Nova Scotia Agricultural College" and "The Maritime Forest Ranger School," unpublished case studies, no date

18. Taken from an interview with Hon. Robert Stanfield, Halifax, Nova Scotia, July 23, 1984

19. See Cragg, L. H., "An Educationalist Looks at Maritime Union" in The Idea of Maritime Union, Report of a Conference at Mount Allison University, Sackville, New Brunswick, February 1965, p. 25

20. "Better ADB definition wanted," Halifax Chronicle-Herald, July 17, 1963, p. 1

21. "Some of us were confused - Robichaud," Halifax Chronicle-Herald, July 26, 1963, pp. 1,6

22. MacDonald, Ron, "Nova Scotia urges strong federal taxing position," Halifax Chronicle-Herald, November 27, 1963, p. 1

23. Ibid., p. 2

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